

EXHIBIT

“14”

(1 of 2)

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2803

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
COLUMBIA DIVISION

ANTHONY E. GOOCH

Plaintiff

VS.

Civil Action No.: 1:07-0016

LIFE INVESTORS INSURANCE
COMPANY OF AMERICA, et al.

Defendants

* * * * *

ORAL DEPOSITION OF CONNIE WHITLOCK
[Taken July 14, 2007]

* * * * *

APPEARANCES:

MESSRS. THOMAS O. SINCLAIR & M. CLAY WILLIAMS,
Esq., Campbell, Gidiere, Lee, Sinclair &
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*** For the Plaintiff ***

MR. MARKHAM R. LEVENTHAL, Esq., Jorden Burt, Suite
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*** For the Defendants ***

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*** For Transamerica ***

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<p style="text-align: right;">Page 2</p> <p style="text-align: center;">I N D E X</p> <p style="text-align: center;">TOPIC PAGE</p> <p>STIPULATIONS 3</p> <p>WITNESS SWORN: CONNIE WHITLOCK 3</p> <p>Examination by Mr. Sinclair 4</p> <p>Examination by Mr. Leventhal 136</p> <p style="text-align: center;">E X H I B I T S*</p> <p>Exhibit 1 6</p> <p>Exhibit 2 69</p> <p>Exhibit 3 81</p> <p>Exhibit 4 94</p> <p>Exhibit 5 96</p> <p>Exhibit 6 110</p> <p>Exhibit 7 109</p> <p>Exhibit 8 110</p> <p>Exhibit 9 120</p> <p>[*Attached to transcript.]</p> <p>REPORTER'S CERTIFICATE 139</p> <p>WITNESS' SIGNATURE 140</p>	<p style="text-align: right;">Page 4</p> <p>1 EXAMINATION</p> <p>2 BY MR. SINCLAIR:</p> <p>3 Q. My name is Tom Sinclair. I'm representing Mr.</p> <p>4 Anthony Gooch.</p> <p>5 MR. SINCLAIR: I'd ask that everybody</p> <p>6 introduce themselves.</p> <p>7 MR. WILLIAMS: Clay Williams. I'm also</p> <p>8 representing Anthony Gooch.</p> <p>9 MR. LEVENTHAL: Markham Leventhal,</p> <p>10 attorney for the defendants.</p> <p>11 MR. EDWARDS: Mark Edwards, inhouse</p> <p>12 attorney for Life Investors.</p> <p>13 MR. SIMPSON: Clay Simpson, inhouse for</p> <p>14 Life Investors.</p> <p>15 Q. (BY MR. SINCLAIR) How are you this morning, Ms.</p> <p>16 Whitlock?</p> <p>17 A. Good.</p> <p>18 Q. I'm sorry to bring you out on a Saturday, but it was</p> <p>19 the only day we could all agree to, so here we are. We'll</p> <p>20 try to get through this as quickly as possible.</p> <p>21 Have you ever had your deposition taken before?</p> <p>22 A. Yes.</p> <p>23 Q. And how many times have you had your deposition</p> <p>24 taken?</p> <p>25 A. Two times.</p>
<p style="text-align: right;">Page 3</p> <p>THE ORAL DEPOSITION OF CONNIE WHITLOCK, a</p> <p>witness produced pursuant to the Federal Rules of Civil</p> <p>Procedure in the above-styled and numbered cause on the</p> <p>14th day of July, 2007, before Jeff Bennett, CCR, LS</p> <p>#19, a Notary Public in and for White County, Arkansas, at</p> <p>the Hilton Little Rock Metro Center, 925 South University,</p> <p>Little Rock, Arkansas beginning at 8:30 a.m..</p> <p style="text-align: center;">*****</p> <p style="text-align: center;">CONNIE WHITLOCK</p> <p>the witness, being first duly cautioned and sworn or</p> <p>affirmed to tell the truth, testified as follows:</p> <p style="text-align: center;">*****</p>	<p style="text-align: right;">Page 5</p> <p>1 Q. When were those depositions taken? I'm not here to</p> <p>2 ask about your personal life. So if it's in a personal</p> <p>3 matter, you can say one personal matter or two personal</p> <p>4 matters. You don't need to tell me the substance of</p> <p>5 those. Okay. The prior two depositions, were they</p> <p>6 related to your employer?</p> <p>7 A. Yes.</p> <p>8 Q. What depositions were those?</p> <p>9 A. One of those was in regard to a claim probably 18</p> <p>10 years ago.</p> <p>11 Q. And the other?</p> <p>12 A. The other one was in regards to some agent activities</p> <p>13 about 10 years ago probably.</p> <p>14 Q. Okay. So the last time you had your deposition taken</p> <p>15 was 10 years ago?</p> <p>16 A. It's probably -- I'm not going to remember exactly.</p> <p>17 I think it was 10 years, somewhere around there.</p> <p>18 Q. So in that case, I'll go over the basics. If you</p> <p>19 need a break for any reason, you tell me. Okay. If I ask</p> <p>20 a bad question, in other words, a question you don't</p> <p>21 understand what it is I'm looking for, or what the answer</p> <p>22 I'm looking for is, you simply tell me. If you provide a</p> <p>23 response, I'll be assuming that you understood the</p> <p>24 question. Is that fair?</p> <p>25 A. Uh-huh.</p>

Page 6

Page 8

1 Q. Have you provided testimony in a court before?
 2 A. No.
 3 Q. Okay. Have you provided affidavits in relation to
 4 your employment with Life Investors before?
 5 A. I don't recall.
 6 Q. That's fine. I don't want you guessing here today.
 7 I don't recall is a fine answer to say. I have trouble
 8 remembering what I had for breakfast yesterday. That's
 9 fine.

10 MR. SINCLAIR: Let me go ahead and mark
 11 as Exhibit 1 your deposition notice.

12 (Deposition Exhibit 1 was marked.)

13 Q. (BY MR. SINCLAIR) As you know, you've been asked to
 14 appear on behalf of Life Investors. Let me ask you if you
 15 looked at that? Now, there are two parts here, there's
 16 one deposition that's going to occur as a result of your
 17 signature on a letter Mr. Gooch received, and another
 18 that's going to occur with regard to a 30(b)(6) notice
 19 that you've been designated for. We're going to segregate
 20 these two, so that I know when you're talking on behalf of
 21 the company, and when you're talking on your own behalf.
 22 Right now we're going to talk about you, Connie Whitlock,
 23 what you did at Life Investors, your signature, your role
 24 there, okay?

25 A. I'm not sure I understood what you were saying.

1 designated as the 30(b)(6) representative, her individual
 2 deposition and her role as Life Investors 30(b)(6)
 3 representative, I can ask her questions, but it's my
 4 understanding that we have a very limited scope with
 5 regard to the 30(b)(6). And when she speaks on behalf of
 6 the company, I want to know that she's speaking on behalf
 7 of the company. I don't see any way of segregating those
 8 two out, unless we start with the individual, and then at
 9 the conclusion of that, I'm going to say, from now you're
 10 talking on behalf of the company on these particular
 11 narrow topics. And we're going to ask her questions on
 12 that.

13 MR. LEVENTHAL: Well, the letter was
 14 written by her on behalf of the company.

15 MR. SINCLAIR: Right.

16 MR. LEVENTHAL: So I really don't know
 17 what you're talking about.

18 MR. SINCLAIR: Okay.

19 MR. LEVENTHAL: In any event, you could
 20 go ahead and start with the letter. Then you could say
 21 I'm done with the letter, and now we're going to start
 22 with the 30(b)(6), if that's how you want to proceed.

23 MR. SINCLAIR: All right.

24 Q. (BY MR. SINCLAIR) First off, Ms. Whitlock, let me
 25 ask you, have you prepared for today's deposition?

Page 7

Page 9

1 MR. LEVENTHAL: I'm not sure I understand
 2 that either. We're objecting to that. I don't know what
 3 you're talking about. You're taking one deposition. If
 4 you want to ask her about the letter, you can ask her
 5 about the letter. You can ask her about 30(b)(6)
 6 subjects.

7 MR. SINCLAIR: Okay.

8 MR. LEVENTHAL: Are you saying you're
 9 going to start and stop one deposition, and then stop and
 10 start another deposition?

11 MR. SINCLAIR: Yes.

12 MR. LEVENTHAL: What's the purpose of
 13 that?

14 MR. SINCLAIR: Well, I can ask her
 15 questions here today in one role, and assume that every
 16 response she gives is speaking on behalf of the company.

17 MR. LEVENTHAL: Which are you planning to
 18 start with?

19 MR. SINCLAIR: Her individual deposition.

20 MR. LEVENTHAL: It seems to me that
 21 there's a significant overlap between the letter and some
 22 of the subject matters in the 30(b)(6). So I don't know
 23 how you're going to do that as a practical matter.

24 MR. SINCLAIR: Well, that was one of the
 25 questions I had. When she was noticed -- when she was

1 A. Just working with counsel.

2 Q. Okay. Anything that you spoke with about your
 3 counsel, I don't want to hear about, that's actually
 4 privileged. Okay. You don't need to answer to my
 5 questions with, what my lawyer told me. Do you understand
 6 that? You're going to have to say yes or no.

7 A. Oh, yes. I'm sorry. I didn't understand what you
 8 were asking me.

9 Q. One of the things we need to do is you need to
 10 verbalize your responses. It's been 10 years and you may
 11 not recall. Nodding heads is very difficult for him to
 12 take down, and he'll get mad at us sooner or later, I'm
 13 sure. And if you'll let me finish asking the question,
 14 I'll let you finish responding before I begin speaking
 15 again.

16 Have you prepared for today's deposition, and
 17 reviewed any documents in preparation for today's
 18 deposition?

19 MR. LEVENTHAL: Object to the form of the
 20 question. You can answer the question to the exclusion of
 21 any documents that you looked at and were shown by
 22 counsel.

23 A. The only thing that I've looked at was what was
 24 provided by counsel.

25 Q. So you independently did not go and ask someone to

Page 10	Page 12
<p>1 I give you documents, so you could review them in 2 preparation for today's testimony? 3 A. No, I did not. 4 Q. The only documents you reviewed were solely provided 5 to you by your counsel? 6 A. Yes. 7 Q. And what documents were those? 8 MR. LEVENTHAL: Objection. Instruct the 9 witness not to answer. That's work product. 10 MR. SINCLAIR: Okay. 11 Q. (BY MR. SINCLAIR) Ms. Whitlock, if you would, tell 12 me who's your employer? 13 A. TransAmerica Life Insurance Company. 14 Q. Does TransAmerica actually pay, is that the entity 15 that pays you? 16 A. Yes. 17 Q. Okay. Is TransAmerica a subsidiary of Life 18 Investors? 19 A. No. 20 Q. Okay. Is TransAmerica a subsidiary of Aegon USA, 21 Inc.? 22 A. They are the holding company. 23 Q. Okay. 24 A. But they only operate Maryland and Iowa. 25 Q. Who only operates in Maryland and Iowa?</p>	<p>1 Insurance Company, Peoples Benefit Life Insurance Company, 2 Western Reserve Assurance Company of Ohio, and 3 TransAmerica Financial Life Insurance Company. 4 Q. I have that you -- it's my understanding you perform 5 services for Life Investors Insurance Company of America, 6 TransAmerica Life Insurance Company, TransAmerica 7 Occidental Insurance Company, Peoples Benefit Life 8 Insurance Company, Western Reserve Assurance Company of 9 Ohio, and TransAmerica Financial Life Insurance Company. 10 Are there any other companies that you perform services 11 for? 12 A. USA Administration Services, Incorporated. It's a 13 third-party administrator. 14 Q. What do you mean that it's a third-party 15 administrator? 16 A. It's a wholly owned. It's administrative. It's just 17 a -- I don't know. 18 Q. Let me ask the question. 19 A. Sorry. I don't understand your question. 20 Q. That's an excellent response. Let me ask it again. 21 USA Administrative Services, Inc.; is that right? 22 A. Yeah, I think so. The name might be a little bit 23 different than that. 24 Q. Okay. What does USA Administrative Services, Inc. 25 do?</p>
Page 11	Page 13
<p>1 A. Aegon USA, Incorporated. 2 Q. What do you mean they only operate in Maryland and 3 Iowa? 4 A. That's the only places of operation for Aegon USA, 5 Inc.. 6 Q. Places of operation, what does that mean? 7 A. Just what it means. That's the only location, or 8 that's the only locations of operations. 9 Q. Operation centers, is that what you're referring to? 10 A. No. It's the only places they operate. 11 Q. Okay. What do they operate in Maryland and Iowa? 12 A. It's where they have corporate employees. 13 Q. Okay. Do they have corporate employees somewhere 14 else besides Maryland and Iowa that you know of? 15 A. No. 16 Q. You work for TransAmerica, TransAmerica pays you. Do 17 you perform services for any other Aegon USA subsidiary? 18 A. Yes. 19 Q. What other subsidiaries do you perform services for? 20 A. I'm sorry. What was -- you asked me -- can you 21 repeat the original question? 22 Q. Let me rephrase that then. What companies do you 23 perform services for? 24 A. I perform services for Life Investors, TransAmerica 25 Life Insurance Company, TransAmerica Occidental Life</p>	<p>1 A. They are a third-party administrator for -- they do 2 insurance administration for a few other companies. 3 Q. What other companies do they do administrative 4 services for? 5 A. Integrity and New York Life. 6 Q. Okay. Integrity is an Insurance Company? 7 A. Yeah. I'm not sure of the full name. 8 Q. Okay. All right. Any others, any other entities 9 that you perform services for? 10 A. Not that I can think of. 11 Q. Okay. So the only companies that you can recall that 12 you currently perform services for is Life Investors, 13 TransAmerica Life Insurance Company, TransAmerica 14 Occidental Insurance Company, Peoples Benefit Life 15 Insurance Company, Western Reserve Assurance Company of 16 Ohio, TransAmerica Financial Life Insurance Company, and 17 USA Administrative Services, Inc.; is that correct? 18 A. That's all I can remember right now. 19 Q. Okay. Are all of those entities that I've just 20 listed, are all of them subsidiaries of Aegon USA, Inc.? 21 MR. LEVENTHAL: Object to the form. You 22 can answer. 23 A. Aegon USA, Inc. is the holding company for all the 24 statutory insurance companies, not USA Administration. 25 Q. Okay. So Aegon USA, Inc. -- how did you refer to</p>

<p style="text-align: right;">Page 14</p> <p>1 them as the holding company?</p> <p>2 A. Uh-huh.</p> <p>3 Q. Aegon USA, Inc. is the holding company for Life</p> <p>4 Investors Insurance Company of America, TransAmerica Life</p> <p>5 Insurance Company, TransAmerica Occidental Insurance</p> <p>6 Company, Peoples Benefit Life Insurance Company, Western</p> <p>7 Reserve Assurance Company of Ohio, and TransAmerica</p> <p>8 Financial Life Insurance Company; is that correct?</p> <p>9 A. What was first part you said?</p> <p>10 Q. Aegon USA, Inc. is the holding company for all of</p> <p>11 those companies I've just listed?</p> <p>12 A. Yes.</p> <p>13 Q. And you perform services today, not today, it's a</p> <p>14 Saturday, but you perform services currently for those</p> <p>15 companies, whose parent corporation is Aegon USA, Inc.; is</p> <p>16 that correct?</p> <p>17 MR. LEVENTHAL: Object to the form. You</p> <p>18 can answer.</p> <p>19 A. They are statutory companies under Aegon USA, Inc. is</p> <p>20 the holding company.</p> <p>21 Q. Okay. What do you do for these companies?</p> <p>22 A. I am the -- I do operations, administration,</p> <p>23 management of those areas.</p> <p>24 Q. Okay. Now would be a good time for me to ask you.</p> <p>25 What is your current title?</p>	<p style="text-align: right;">Page 16</p> <p>1 Investors. What is the title that you have with Life</p> <p>2 Investors?</p> <p>3 A. Senior vice president operations.</p> <p>4 Q. What about TransAmerica Life Insurance Company?</p> <p>5 A. Senior vice president operations.</p> <p>6 Q. TransAmerica Occidental Insurance Company?</p> <p>7 A. It's either vice president or senior vice president.</p> <p>8 I don't remember.</p> <p>9 Q. Peoples Benefit Life Insurance Company?</p> <p>10 A. It's either vice president or senior vice president.</p> <p>11 I don't remember.</p> <p>12 Q. Western Reserve Assurance Company of Ohio?</p> <p>13 A. Same, senior or vice president. I'm not sure.</p> <p>14 Q. TransAmerica Financial Life Insurance Company?</p> <p>15 A. Vice president of operations.</p> <p>16 Q. USA Administrative Services, Inc.?</p> <p>17 A. That's not a subsidiary of Aegon USA, Inc..</p> <p>18 Q. But you're currently performing services for them?</p> <p>19 A. I am the president of USA Administration, Inc..</p> <p>20 Q. But that's not -- USA Administrative Services, Inc.</p> <p>21 is not a subsidiary of Aegon USA, Inc.?</p> <p>22 A. No. It's one of the insurance companies.</p> <p>23 Q. Which insurance company is that a subsidiary?</p> <p>24 A. I don't remember which company it's under. I don't</p> <p>25 recall.</p>
<p style="text-align: right;">Page 15</p> <p>1 A. For which company?</p> <p>2 Q. You have title -- various titles with each company?</p> <p>3 A. I have different titles with different statutory</p> <p>4 companies.</p> <p>5 Q. I see. Well, let's go through the list then. Let's</p> <p>6 start off with Life Investors. What is your title for</p> <p>7 that company? Before we get there let me ask you. What</p> <p>8 do you mean what you say statutory company?</p> <p>9 A. We refer to an insurance company as a statutory</p> <p>10 insurance company. It's the -- I don't know. Just what</p> <p>11 we refer -- I refer to it as, which statutory company,</p> <p>12 which insurance company, whether it's Life Investors or</p> <p>13 TransAmerica or --</p> <p>14 Q. What statute are you referring to?</p> <p>15 A. It's just insurance -- it's what -- it's just</p> <p>16 statutory. It means a company.</p> <p>17 Q. Are you referring to the Insurance Company Holding</p> <p>18 Act?</p> <p>19 A. I don't know what you're talking about.</p> <p>20 Q. All right. So when you say, statutory insurance</p> <p>21 company, you don't know which statute you're referring to,</p> <p>22 but that's the common usage term when you refer to these</p> <p>23 other companies?</p> <p>24 A. Right.</p> <p>25 Q. Okay. I got it. Let's start off with Life</p>	<p style="text-align: right;">Page 17</p> <p>1 Q. Okay.</p> <p>2 A. I know it's not -- I know it's one of the insurance</p> <p>3 companies, but I don't remember which one.</p> <p>4 Q. And you are the president of USA Administrative</p> <p>5 Services, Inc.?</p> <p>6 A. Uh-huh.</p> <p>7 Q. And that is a TPA for Integrity Insurance Company and</p> <p>8 New York Life Insurance Company?</p> <p>9 A. Yes.</p> <p>10 Q. Do they perform any other services besides TPA</p> <p>11 services for Integrity and New York Life?</p> <p>12 A. No.</p> <p>13 Q. So they just handle what type of claims for that</p> <p>14 group, USA Administrative Services?</p> <p>15 A. They don't handle claims.</p> <p>16 Q. What do they do?</p> <p>17 A. They do customer service type functions.</p> <p>18 Q. While you're performing services for all of these</p> <p>19 entities that you've given me here, do they pay you</p> <p>20 separately?</p> <p>21 MR. LEVENTHAL: Object to the form. You</p> <p>22 can answer.</p> <p>23 A. No.</p> <p>24 Q. So you are compensated for your services in</p> <p>25 performing various services for all these entities by your</p>

Page 18

1 paychecks from TransAmerica Life Insurance Company?
 2 A. Yes.
 3 Q. Okay. Let's start as senior vp of -- before we get
 4 there let me back up a little bit and ask you this. I
 5 hate asking a woman her age, but I'm going to back you up
 6 to high school and ask you when did you graduate from high
 7 school?
 8 A. 1986.
 9 Q. Did you go school here in Little Rock?
 10 A. No, I did not.
 11 Q. Where did you go to school?
 12 A. Louisville, Kentucky.
 13 Q. Louisville, that's actually where Life Investors --
 14 or Aegon Financial Partners is located, isn't it?
 15 MR. LEVENTHAL: Object to the form. You
 16 can answer.
 17 A. Aegon Financial Partners is not a legal entity. It's
 18 just kind of a generic name that is used for an
 19 operational or operating units that are in multiple
 20 locations.
 21 Q. So it's a d/b/a, a designation of doing business as?
 22 A. No. It's just a -- it's kind of an internal
 23 nickname.
 24 Q. Okay. And who is Aegon Financial Partners part of?
 25 MR. LEVENTHAL: Object to the form. You

Page 19

1 can answer.
 2 A. It's not -- it's not a -- it's not a legal entity. I
 3 don't understand the question.
 4 Q. Let me see if I can ask a little bit better. Let me
 5 ask you. Who is -- who are the employees of Aegon
 6 Financial Partners, the employees of other subsidiaries?
 7 MR. LEVENTHAL: Object to the form. You
 8 can answer.
 9 A. There are no employees of Aegon Financial Partners.
 10 Q. There are no employees of Aegon Financial Partners?
 11 A. Not of that entity.
 12 Q. What entity's employees perform services under the
 13 Aegon Financial Partners designation?
 14 A. They're employees of the various insurance companies,
 15 the statutory companies that we went through.
 16 Q. I see. So Aegon Financial Partners has a group of
 17 employees from those entities that you've already listed
 18 out?
 19 MR. LEVENTHAL: Object to the form. You
 20 can answer.
 21 A. I'm not sure I understand what you're asking me.
 22 Q. Let me ask it a different way then. Tell me all of
 23 the entities that have employees performing services under
 24 Aegon Financial Partners?
 25 A. It would be --

Page 20

1 MR. LEVENTHAL: Same objection. Go
 2 ahead.
 3 A. It would be the companies that we listed. Can you be
 4 more clear? It's the employees of those companies that we
 5 listed there.
 6 Q. Okay. So when I ask -- I'm trying to understand who
 7 Aegon Financial Partners is. You told me that it's just
 8 an internal designation of a group of employees.
 9 A. It's an internal operating -- a group of operating
 10 operational units. The different people are employees of
 11 the insurance companies. They're kind of the group of
 12 agent types of business. All the people that process
 13 their business are -- they just kind of have a generic
 14 internal name.
 15 Q. Okay. Sort of like Aegon Insurance Group is actually
 16 not a legal entity, but it's got different employees in
 17 different places performing under that sort of internal
 18 designation?
 19 A. Yeah.
 20 MR. LEVENTHAL: Object to the form of the
 21 question. Go ahead.
 22 A. It's another just generic internal name, kind of
 23 nickname that's used.
 24 Q. Okay. I'm sorry. I got off on a tangent there. You
 25 graduated from high school in '86 from Louisville,

Page 21

1 Kentucky. Did you go to school after that or did you go
 2 to work?
 3 A. I went to college.
 4 Q. Where did you go to school?
 5 A. Bellarmine University.
 6 Q. Where is Bellarmine?
 7 A. In Louisville.
 8 Q. Did you graduate from there?
 9 A. Yes, I did.
 10 Q. When did you graduate?
 11 A. In -- this is terrible. I went part-time for a
 12 while. Maybe '93, '94. I can't remember.
 13 Q. Okay.
 14 A. It's sad, but I don't.
 15 Q. Listen, I really meant it when I said I can't
 16 remember what I had for breakfast yesterday.
 17 Let me ask you. You said you went part-time. Did
 18 you work while you were going to school?
 19 A. Yes.
 20 Q. Where did you work?
 21 A. I worked for the company.
 22 Q. Which company?
 23 A. I worked for, at that time it would have been
 24 Commonwealth Life Insurance Company.
 25 Q. You said, the company, and I took it from the way you

Page 22

1 I said that, that Commonwealth later on became a part of
 2 Life Investors and the companies you now work for?
 3 A. Commonwealth was a company that was purchased and --
 4 I mean -- I guess -- I don't know what the entity was that
 5 bought it, but it's part of the companies that we work for
 6 today. I don't know which entity. I don't know what
 7 entity bought it.
 8 Q. That's okay.
 9 A. Actually I think I thought of another insurance
 10 company that I work with.
 11 Q. Okay. What other insurance company?
 12 A. Monumental. There's a lot of insurance companies. I
 13 don't remember them all off the top of my head.
 14 Q. Monumental Life Insurance Company?
 15 A. Yes.
 16 Q. What's your title with Monumental?
 17 A. It's either senior VP or VP. I don't know.
 18 Q. Any others you can recall?
 19 A. No. The only reason I remember that one is because
 20 Commonwealth became Monumental. That's the only reason
 21 that I didn't say it before.
 22 Q. Okay. What did you do as you were working part-time
 23 from the '86 to '94 time period with Commonwealth?
 24 A. I worked in several of the customer service
 25 functions.

Page 23

1 Q. Such as?
 2 A. Such as the claims area, the customer service call
 3 center area. Do you want every -- I'm sorry.
 4 Q. Let me ask it a different way. I want you to tell me
 5 all the jobs you had between 1986 and 1994, when you
 6 graduated from Bellarmine?
 7 A. Okay. I worked in the claims area. I worked in the
 8 customer service area. Those were the two areas I worked
 9 in until then.
 10 Q. Okay. And when you say, claims, what kind of claims?
 11 A. Life claims.
 12 Q. I'm sorry. What?
 13 A. Life claims.
 14 Q. And when you say, life claims, you mean life
 15 insurance policy claims?
 16 A. Yes.
 17 Q. Okay. Were you actually a claims handler at that
 18 point?
 19 A. At one point.
 20 Q. Okay. How long between 1986 and 1994 are we talking
 21 about, did you do it for a year or two?
 22 A. Maybe two years.
 23 Q. You did that on a part-time basis while you were
 24 going to Bellarmine?
 25 A. Yes. Part of that was full-time and going to school

Page 24

1 part-time.
 2 Q. Okay. So you were working 40 hours a week and going
 3 to school on top of it?
 4 A. Yes.
 5 Q. Okay. After you graduated Bellarmine in 1994, did
 6 you have anymore formal schooling at a university, or any
 7 kind of formal schooling after that, excluding company
 8 training?
 9 A. Not formal schooling.
 10 Q. What other schooling did you have after 1994?
 11 A. I'm sorry?
 12 Q. What other schooling did you have, did you attend
 13 let's say MBA courses, or any courses -- outside of
 14 company training, we'll get there in a minute?
 15 A. Not that I recall.
 16 Q. Okay. Now, let's talk about, if we can, company
 17 training. Between '86 and '94, do you recall any training
 18 that you had in claims handling?
 19 A. No.
 20 Q. Okay. So in 1994 you graduated from Bellarmine.
 21 What was your title with the company, Commonwealth Life
 22 Insurance Company, at that point in 1994?
 23 A. I don't remember.
 24 Q. But you were a claims handler in '94?
 25 A. No.

Page 25

1 Q. What were you doing in 1994?
 2 A. I would have been in customer service.
 3 Q. Okay. In the call center area?
 4 A. Yes.
 5 Q. Okay. Between '86 and '94, did you have or play any
 6 role in drafting claims handling procedures, or dictating
 7 claims handling procedures for Commonwealth?
 8 A. I don't recall.
 9 Q. Okay. Let's talk about when you graduated in '94.
 10 Did you change jobs in '94 upon your graduation?
 11 A. No.
 12 Q. So between -- take me up to the next time you changed
 13 jobs. In 1994 you told me that you were working in the
 14 customer service area at Commonwealth; is that right?
 15 A. Uh-huh. Yes. Sorry.
 16 Q. That's okay. How long did you work in the customer
 17 service area at Commonwealth, 1994 to when?
 18 A. I don't remember the exact amount of time after '94.
 19 Q. Do you remember the next job you held?
 20 A. Yes. I worked in the financial reporting area.
 21 Q. When did you start doing that?
 22 A. I don't remember the exact time.
 23 Q. Can you --
 24 A. It would have been maybe a year after '94. I just
 25 don't remember exactly how long.

Page 26

Page 28

1 Q. Sometime between 1994 and 1996, you transferred to
 2 the financial reporting area?
 3 A. It's probably within that time frame.
 4 Q. Was this also with Commonwealth?
 5 A. Yes.
 6 Q. And how long did you work in the financial reporting
 7 area at Commonwealth?
 8 A. Two or three years, probably two.
 9 Q. Do you remember when you stopped working in the
 10 financial reporting area at Commonwealth?
 11 A. I went back to customer service. I don't remember.
 12 It was around two years maybe.
 13 Q. In the '97 '98 time period you went from financial
 14 reporting to back to customer service; is that right?
 15 A. Back to customer service, yes.
 16 Q. Was that also at Commonwealth?
 17 A. Yeah, it was at Commonwealth, or it could have been
 18 changed to Monumental by that time. I'm not sure.
 19 Q. Let's talk a little bit about your role in the
 20 financial reporting area. What did you do?
 21 A. I worked on just staff accounting type functions for
 22 our stop loss business.
 23 Q. I'm sorry. Your stop loss business, what is that?
 24 A. It's a type of -- it's a type of insurance plan. I
 25 don't really know a lot about the insurance -- that

1 sure I know the designation.
 2 A. Bachelor's in accounting.
 3 Q. Okay. So at that point from '95 or '96 you started
 4 working as a staff accountant in the financial reporting
 5 area for Commonwealth, right?
 6 A. Commonwealth or Monumental. I don't know. In '96,
 7 I'm sorry, it would have been Commonwealth for sure. When
 8 it changed, it was sometime after that.
 9 Q. Okay. When you say, book the entries, you got to
 10 remember I'm not an accountant, what does that mean?
 11 A. Well, it means look at a report, take numbers from a
 12 report, and put them onto a spreadsheet, that was then
 13 uploaded into our ledger.
 14 Q. Okay. So you take the reports from the TPA, the
 15 claims paid reports, is that what you're talking about?
 16 A. Premiums, claims, there would be premium taxes, that
 17 type of thing.
 18 Q. Okay. I think we've gotten up to the '97 '98 time
 19 period. And if you feel like you need to take a break at
 20 any time, you just let me know. I generally stop at about
 21 an hour and give the witness a rest. If you need it
 22 before then let me know, okay?
 23 A. I will.
 24 Q. The '97 '98 time period you went back to customer
 25 service at either Commonwealth or Monumental. We're not

Page 27

Page 29

1 particular insurance plan. I received the accounting
 2 detail from the -- actually it was being administered by a
 3 TPA. I received that and I booked those entries.
 4 Q. Are you talking about a particular type of policy?
 5 A. It's a type of insurance product.
 6 Q. Okay. And it's a stop loss insurance product
 7 sold --
 8 A. Sold to employers.
 9 Q. Okay. And you received reports from a TPA and you
 10 booked entries?
 11 A. Right.
 12 Q. What do you mean by, booked the entries?
 13 A. I would do entries into our general ledger.
 14 Q. Were you working at that point with a title?
 15 A. Probably staff accountant.
 16 Q. I take it then that you got an accounting degree from
 17 Bellarmine?
 18 A. Yes, I did.
 19 Q. Okay. Do you hold any other degrees?
 20 A. No.
 21 Q. Have you had any legal training?
 22 A. No.
 23 Q. Well, let me ask you this. When you graduated in
 24 '94, what was the formal degree that you had; did you have
 25 a Ph.D. or something like that in accounting? I'm not

1 sure when that entity change occurred, right?
 2 A. Right.
 3 Q. What were you doing in customer service in the '97
 4 '98 time period, what job did you move into?
 5 A. I was a supervisor in customer service.
 6 Q. Were you handling claims?
 7 A. Not at that time.
 8 Q. Okay.
 9 A. Eventually. I'm not sure it was immediate.
 10 Q. Okay. When you say, customer service, were you
 11 handling relationships with insureds or insurance agents?
 12 A. Both.
 13 Q. Both. At that point it was either Commonwealth or
 14 Monumental?
 15 A. Uh-huh.
 16 Q. How long did you work as a supervisor in customer
 17 service?
 18 A. From that point going forward, I progressed up in the
 19 customer service operational administration areas. That's
 20 just progressive titles since then.
 21 Q. Let me -- this could drag out for a while. Let me
 22 just ask you. Starting 1998, assuming that's the correct
 23 date that you started customer service, supervisor of
 24 customer service, I want you to tell me, if you can, the
 25 approximate year and title for every job change

Page 30	Page 32
<p>1 thereafter? Can you do that? Can you walk me through 2 those changes? 3 A. I can walk through the changes, but I'm not going to 4 remember what years and when I got promotions. 5 Q. Walk me through the titles that you've had as you 6 progressed up, as you say? 7 A. It would have been either a supervisor, a team 8 leader, or a title like that, the original promotion. And 9 then I would have gone to manager, director, vice 10 president. And then expanded responsibilities -- probably 11 when I was a director, expanded responsibilities even to 12 larger areas. Manager was a larger area than supervisor 13 and so on. When I was a director I obtained even more 14 responsibilities. 15 Q. Okay. And your current title is vp. Was that what 16 you were referring to when you progressed up to your 17 current title? 18 A. My current title is senior vp. 19 Q. I'm sorry. 20 A. For Live Investors. 21 Q. For Life Investors. Senior vp of operations, right? 22 A. Yes. 23 Q. When you say, vp, is that when you meant? 24 A. Vice president. 25 Q. I'm progressing up. Your current job title is senior</p>	<p>1 Q. Okay. 2 A. I just don't remember if it was in the very 3 beginning. I don't remember. 4 Q. Okay. Do you remember when you got promoted to 5 manager? 6 A. No, I don't remember when it was. 7 Q. Let me walk backwards. That may jog your memory. 8 Going from your current title of senior vp, how long have 9 you been a senior vp? 10 A. I'm not really sure. Maybe two years. 11 Q. Okay. Before that you were a director, your title 12 was director? 13 A. No. Vice president. 14 Q. I'm sorry. How long were you vice president? 15 A. Again, I don't remember exactly. Maybe another two 16 years. 17 Q. Okay. How long were you a -- how long was your title 18 a director? 19 A. Again, I don't remember specifically. A couple of 20 years maybe. 21 Q. Okay. How long did you serve as manager? 22 A. I have no idea. 23 Q. Okay. So assuming we've got two years for senior vp, 24 two years for vp, and a couple of years. We've gone back 25 to 2001. So was it a year, two years as a manager?</p>
Page 31	Page 33
<p>1 vp of operations, correct? 2 A. Correct. 3 Q. Was that the vp you were referring to just now when 4 you -- 5 A. I was vice president before I was senior vice 6 president. 7 Q. Let's talk about your role as a team leader or 8 supervisor. And was that also for Commonwealth or 9 Monumental? 10 A. Yes, and other companies. 11 Q. So a team leader or supervisor for a list of 12 statutory insurance companies? 13 A. Yes. 14 Q. I said that the right way that time? 15 A. Correct. 16 Q. So in your role as a team leader or supervisor for 17 those statutory companies, what were your daily 18 responsibilities? 19 A. Leading the customer service reps, the premium and 20 billing, processors, the processing for like beneficiary 21 changes, things like that. At some point I was 22 responsible for both underwriting and claims. 23 Q. Okay. In your role as a team leader supervisor you 24 were responsible for underwriting and claims? 25 A. At some point.</p>	<p>1 A. I don't -- it could have been. I don't remember. 2 Q. Okay. All right. Let's talk a little bit about 3 underwriting claims, customer service, premium billing and 4 benefit changes, your role as a manager. What company 5 were you working for at that point, multiple companies I 6 think you indicated; is that right? 7 A. We processed for multiple -- we processed business 8 for multiple statutory companies. 9 Q. Who was your actual employer at that point? 10 A. Peoples Benefit, I believe. 11 Q. Is that PFL? 12 A. No. 13 Q. Who's PFL? 14 A. I don't know. I never worked for PFL. It was an old 15 company that was one of the statutory companies. I never 16 did any work for them. And I don't know anything about 17 them. 18 Q. So you were a manager and your employer was Peoples 19 Benefit? 20 A. That was who paid me. 21 Q. What's the rest of the name, do you remember? 22 A. No. I had to guess, it would be Peoples Benefit Life 23 Insurance Company, but I'm not sure if that's right or 24 not. 25 Q. I won't hold you to --</p>

Page 34	Page 36
<p>1 A. I don't know that for sure.</p> <p>2 Q. At some point you went from working for Monumental --</p> <p>3 you did work for Monumental at some point?</p> <p>4 A. Yes.</p> <p>5 Q. Let me say that a different way. You were employed</p> <p>6 by Monumental at some point?</p> <p>7 A. Yes.</p> <p>8 Q. And then you switched over to Peoples Benefit?</p> <p>9 A. Yes.</p> <p>10 Q. Do you remember when that change occurred?</p> <p>11 A. No.</p> <p>12 Q. Was Peoples Benefit and Monumental a subsidiary of</p> <p>13 the same company?</p> <p>14 A. They were two insurance companies. That were part of</p> <p>15 same company, yes.</p> <p>16 Q. What company were they a part of?</p> <p>17 A. Originally Capital Holding.</p> <p>18 Q. Capital Holding.</p> <p>19 A. Then it became Providian.</p> <p>20 Q. It became Providian?</p> <p>21 A. Capital Holding change its name to Providian.</p> <p>22 Q. Okay. I thought -- I'm misunderstanding. I'm sorry.</p> <p>23 Let me ask that question a little bit differently. You</p> <p>24 were working for Monumental at some point, right?</p> <p>25 A. Uh-huh.</p>	<p>1 A. You have to say it again for me to be sure.</p> <p>2 Q. Capital Holding was a holding company; is that right?</p> <p>3 A. That's correct.</p> <p>4 Q. That had a subsidiary that was a statutory insurance</p> <p>5 company called Peoples Benefit?</p> <p>6 A. Correct.</p> <p>7 Q. It also had a subsidiary called Monumental?</p> <p>8 A. No, Commonwealth.</p> <p>9 Q. Commonwealth?</p> <p>10 A. Correct.</p> <p>11 Q. So Providian was the next progression, the legal</p> <p>12 entity's name?</p> <p>13 A. No. Capital Holding changed its name to Providian.</p> <p>14 Q. Was it also the name of the holding company is</p> <p>15 Providian?</p> <p>16 A. Correct. It changed its name, so it was the same</p> <p>17 company, just a different name.</p> <p>18 Q. Did Providian change its name?</p> <p>19 A. No.</p> <p>20 Q. What happened to Providian, are they still in</p> <p>21 existence, or did they sell the statutory?</p> <p>22 A. They sold the insurance companies, which then became</p> <p>23 -- Commonwealth became Monumental, Peoples Benefit became</p> <p>24 part of the list of companies I gave you earlier.</p> <p>25 Q. And who did Providian sell the insurance companies</p>
Page 35	Page 37
<p>1 Q. And Monumental and Peoples Benefit were part of</p> <p>2 Capital Holding?</p> <p>3 A. No. Commonwealth Life Insurance Company and Peoples</p> <p>4 Benefit Life Insurance Company, if that's the right name,</p> <p>5 were two statutory insurance companies under Capital</p> <p>6 Holding.</p> <p>7 Q. Okay.</p> <p>8 A. That then changed its name to Providian.</p> <p>9 Q. I'm trying to make sure you didn't switch employers</p> <p>10 all together?</p> <p>11 A. No.</p> <p>12 Q. You didn't switch employers?</p> <p>13 A. No.</p> <p>14 Q. You just got paychecks from a different company?</p> <p>15 A. Yes.</p> <p>16 Q. I guess Capital Holding is a holding company, was</p> <p>17 that what it was?</p> <p>18 A. Yes.</p> <p>19 Q. I'm getting it. Statutory insurance companies and</p> <p>20 holding company?</p> <p>21 A. Correct.</p> <p>22 Q. Capital Holding was a holding company that owned --</p> <p>23 that had a subsidiary that was a statutory insurance</p> <p>24 company called Peoples Benefit. Did I say that the right</p> <p>25 way?</p>	<p>1 to?</p> <p>2 A. I don't know exactly legally how all that works. I</p> <p>3 just know that we switched to Monumental and so on.</p> <p>4 Q. Let me put it a different way. The current holding</p> <p>5 company is Aegon USA, Inc.; is that right?</p> <p>6 A. Correct.</p> <p>7 Q. Was there a holding company, between the time period</p> <p>8 Providian was the holding company and Aegon USA, Inc. was</p> <p>9 the holding company?</p> <p>10 MR. LEVENTHAL: Object to the form. Go</p> <p>11 ahead.</p> <p>12 A. No.</p> <p>13 Q. Okay. I'm just trying to make sure I don't know miss</p> <p>14 one.</p> <p>15 A. Okay.</p> <p>16 Q. So let's step back. You were a manager. Your</p> <p>17 employer was Peoples Benefit. But you performed services</p> <p>18 across other statutory insurance companies. Did I say</p> <p>19 that the right way?</p> <p>20 A. I performed work for policies that were issued under</p> <p>21 other companies.</p> <p>22 Q. All right. Now, as a manager, I think you indicated</p> <p>23 you were responsible for premium billing; is that right?</p> <p>24 A. That was one of the things.</p> <p>25 Q. And you were also responsible for customer service</p>

<p style="text-align: right;">Page 38</p> <p>1 representatives?</p> <p>2 A. Yes.</p> <p>3 Q. Okay. I take it you had multiple direct reports,</p> <p>4 people who reported to you in the chain of command?</p> <p>5 A. Yes.</p> <p>6 Q. And then you were responsible for underwriting and</p> <p>7 claims; is that right?</p> <p>8 A. At some point, yes.</p> <p>9 Q. And then you were responsible for beneficiary</p> <p>10 changes?</p> <p>11 A. Uh-huh, yes.</p> <p>12 Q. Were there any other duties or responsibilities that</p> <p>13 you had as a manager at that time period?</p> <p>14 A. I can really only speak generally to it. That's a</p> <p>15 long time ago.</p> <p>16 Q. Is that all you can recall?</p> <p>17 A. Yeah.</p> <p>18 Q. Okay. You're an accountant, so you were handling</p> <p>19 the underwriting and claims functions, was that also</p> <p>20 handling the general ledger entries that as you were</p> <p>21 talking about earlier?</p> <p>22 A. No.</p> <p>23 Q. So what role did you play in underwriting and claims</p> <p>24 as a manager?</p> <p>25 A. I supervised the underwriter and claims examiner.</p>	<p style="text-align: right;">Page 40</p> <p>1 about six years ago you went in with the title of</p> <p>2 director?</p> <p>3 A. Uh-huh.</p> <p>4 Q. Was that with a different company employing you?</p> <p>5 A. No.</p> <p>6 Q. So continuing on with Peoples Benefit. You were a</p> <p>7 director with Peoples Benefit?</p> <p>8 A. Yes.</p> <p>9 Q. The next job title about four years ago the change</p> <p>10 was to VP, right?</p> <p>11 A. I don't remember the specific time frame, but the</p> <p>12 next title after director was VP.</p> <p>13 Q. And was that also with Peoples Benefit?</p> <p>14 A. Yes.</p> <p>15 Q. And then at one point or another you went to your</p> <p>16 employer being Life Investors?</p> <p>17 A. No. My employer is TransAmerica.</p> <p>18 Q. So you went from Peoples Benefit employing you to</p> <p>19 TransAmerica employing you?</p> <p>20 A. TransAmerica Life Insurance.</p> <p>21 Q. That was your next employer?</p> <p>22 A. Yes.</p> <p>23 Q. All right. I'm sorry. I think I've got it down now.</p> <p>24 We've been going about an hour. Would you like a break?</p> <p>25 A. Maybe five more minutes.</p>
<p style="text-align: right;">Page 39</p> <p>1 Q. What kind of policies?</p> <p>2 A. There was life policies and annuities. I don't</p> <p>3 really remember all the different types.</p> <p>4 Q. Did you handle any cancer policies?</p> <p>5 A. I don't recall.</p> <p>6 Q. Did you handle any long-term disability policies or</p> <p>7 short-term disability policies?</p> <p>8 A. Not long-term disability. I don't recall if there</p> <p>9 was any short-term or not.</p> <p>10 Q. Okay. Was your primary responsibilities dealing with</p> <p>11 life insurance policies? Let me say that a different way.</p> <p>12 Was most of your time spent performing functions with</p> <p>13 regard to life insurance policies?</p> <p>14 A. No. We had other types of policies.</p> <p>15 Q. Do you recall any of the other types besides life and</p> <p>16 annuities?</p> <p>17 A. Not specifically the specific types.</p> <p>18 Q. And this was as your role as a manager with Peoples</p> <p>19 Benefit?</p> <p>20 A. It could have been the supervisor or the manager</p> <p>21 or --</p> <p>22 Q. Okay.</p> <p>23 A. -- multiple.</p> <p>24 Q. Let me figure these employers out. You were working</p> <p>25 for Peoples Benefit as a manager. And then at some point</p>	<p style="text-align: right;">Page 41</p> <p>1 Q. Okay. The next job title that I've got here was</p> <p>2 director. And you said you expanded your responsibilities</p> <p>3 as director. Tell me what you did as director, what were</p> <p>4 your daily job responsibilities?</p> <p>5 A. I supervised the supervisors of those functions that</p> <p>6 we talked about. It was just expanded responsibility in</p> <p>7 the same areas.</p> <p>8 Q. Okay. So you just increased the number of direct</p> <p>9 reports that you had?</p> <p>10 MR. LEVENTHAL: Object to the form. You</p> <p>11 can answer.</p> <p>12 Q. You know what, I know why you're looking down now. I</p> <p>13 said it a bad way. Let me put it this way. You went to</p> <p>14 director job title and you started supervising the</p> <p>15 managers; is that right?</p> <p>16 A. Yes.</p> <p>17 Q. Okay. Your next job title was vice president. Was</p> <p>18 that also with Peoples Benefit?</p> <p>19 A. Yes.</p> <p>20 Q. What did you do as a vice president with Peoples</p> <p>21 Benefit?</p> <p>22 A. The same thing I did as a director.</p> <p>23 Q. And then you moved to senior VP as your job title,</p> <p>24 right?</p> <p>25 A. Yes.</p>

Page 42	Page 44
<p>1 Q. Was that also with Peoples Benefit, or did you change 2 companies at that point? 3 A. I would have been with TransAmerica at that time. 4 Q. Okay. So were you a vice president with TransAmerica 5 at one point? 6 A. Probably in the beginning. 7 Q. Okay. 8 A. These are statutory insurance titles, so when that 9 changes, I don't remember. 10 Q. Okay. I'm trying to understand. Because you're 11 familiar with all those terms. I take it you just know 12 that your paycheck comes from a particular entity; is that 13 right? 14 A. I know that I work for TransAmerica Life Insurance 15 Company. 16 Q. Do you have an employment agreement, a formal 17 contract? 18 A. No. 19 Q. Did you have a formal contract with Peoples Benefit? 20 A. No. 21 Q. Did somebody come down and say, hey, you're changing 22 over to TransAmerica? 23 A. I took on more responsibility. 24 Q. And the job title came with the transfer to a 25 different company?</p>	<p>1 MR. LEVENTHAL: Objection to the form of 2 the question. You can answer. 3 A. Life products, annuities, and various health 4 products. 5 Q. What kind of health products? 6 A. Short-term disability, cancer, accident, many medical 7 plans, there are some heart and intensive care policies. 8 There could be a few more. I just -- I can't think of 9 right now the different types. 10 Q. I believe I'm about to start on a line of questioning 11 that may take a few minutes. Would you like to go ahead 12 and take our break now? 13 A. Sure. 14 MR. SINCLAIR: Let's take 15 minutes. 15 (A recess was had.) 16 Q. (BY MR. SINCLAIR) When we took our break, you were 17 describing the policies that you currently have in that 18 block of business you supervise as senior VP for 19 TransAmerica Life Insurance Company. You had listed life 20 insurance policies, annuities and health products as three 21 categories of insurance products that you supervise; is 22 that correct? 23 A. Yes. 24 Q. And then under health products you had listed, can I 25 just say STD, short-term disability?</p>
Page 43	Page 45
<p>1 A. Took on additional responsibilities. I don't know if 2 the title changed when I did that. The change to 3 TransAmerica came with the additional responsibilities. 4 Q. As a senior VP, which you currently are with 5 TransAmerica Life Insurance Company -- 6 A. And others. 7 Q. You're right. I said that differently. Your 8 employer is TransAmerica Life Insurance Company, right? 9 A. Yes. 10 Q. And as a senior VP with TransAmerica Life Insurance 11 Company, what are your daily job responsibilities? 12 MR. LEVENTHAL: Object to the form. You 13 can answer. 14 A. I oversee all of the operations and administration 15 for the -- for the business here in Little Rock as well as 16 the business that's processed in Louisville. 17 Q. When you say, business, what business are you talking 18 about? 19 A. The insurance policies. 20 Q. Okay. What kind of policies? 21 A. For which location? 22 Q. I'm trying to understand. Just for you, if you tell 23 me you oversee business, and business means policies, I 24 want to know what you are administering in your role as 25 senior VP?</p>	<p>1 A. I know what that means. 2 Q. Under health products you listed STD, cancer, AD&D 3 policies, medical plans, heart policies and intensive care 4 policies. Are there any other policies that you can 5 recall that would fit within that category of health 6 products, that you currently supervise? 7 A. There could be others that I'm just not thinking of 8 right now. 9 Q. So as senior VP of operations and administration for 10 business in Little Rock and Louisville, you've told me all 11 of the types of policies you currently recall that you 12 have responsibility for? 13 A. That I can remember. 14 Q. Is there some sort of list of your job duties and 15 responsibilities or job description? Have you ever seen 16 one? 17 A. I don't really have a job description, no. 18 Q. Is there anything that lists out the products you're 19 responsible for? 20 A. There's probably something at the office. 21 Q. Have you ever seen it? 22 A. Yeah, I've seen it. Right now that's what -- those 23 are the products I'm thinking of. 24 Q. Okay. There's a document that lists out what you're 25 responsible for?</p>

<p>Page 46</p> <p>1 A. No. There's just -- there's materials that show the 2 different products that we have. 3 Q. What materials, is it like just a sheet of this is 4 what Ms. Whitlock supervises? 5 A. No. 6 Q. Okay. As senior vp for operations and administration 7 for business in Little Rock and Louisville, do you have 8 any -- or play any role in connection with, on a daily 9 basis, those employees in Louisville? 10 A. I'm not sure I understand the question. 11 Q. Okay. Let me rephrase it then. Who reports to you 12 from Louisville? 13 A. Neva Curtis. 14 Q. Are there any other employees in Louisville that 15 report directly to you? 16 A. No. 17 Q. Do you have a -- what is Neva's title? 18 A. Director of operations. 19 Q. Does she also work for TransAmerica Life Insurance 20 Company? 21 A. No. She works for Monumental. 22 Q. And she reports directly to you? 23 A. Yes. 24 Q. Are you her supervisor? 25 A. Yes.</p>	<p>Page 48</p> <p>1 customer service. Mark Bradley, he's the vice president 2 of underwriting. You have Mary Wagoner, she's the vice 3 president of new business. You have Debra Alexander, 4 director of claims. Julie Boyd, she is the director of 5 contract and licensing. And Doug Simino, and he is the 6 assistant vice president of product implementation and 7 document management. And that's the list, I think. 8 Q. Okay. 9 A. Other than my -- my admin doesn't report to me, she's 10 shared. 11 Q. Okay. Let me make sure I've got all these right. 12 Those people who report directly to you here in Little 13 Rock are Ms. Dickey, Mr. Bilello, Mr. Grable, Mr. Hicks, 14 Mr. Louks, Mr. Bradley, Ms. Wagoner, Ms. Alexander, Ms. 15 Boyd and Mr. Simino; is that correct? 16 A. Yeah. Go through them one more time. I'm trying to 17 go through the floors and make sure I've counted 18 everybody. 19 Q. Okay. 20 A. If you can do it in the order I gave you. 21 Q. I'll do that. I'm trying to make sure I've got 22 everybody. Ms. Dickey, Mr. Bilello? 23 A. Yes. 24 Q. Mr. Grable, Mr. Hicks, Mr. Louks, Mr. Bradley, Ms. 25 Wagoner, Ms. Alexander, Ms. Boyd and Mr. Simino?</p>
<p>Page 47</p> <p>1 Q. Okay. And Ms. Curtis is the director of operations 2 in the Louisville office? 3 A. Yes. 4 Q. Is there a similar person who directs to you here in 5 Little Rock, who reports to you here in Little Rock, I 6 should say, that is the director of operations for Little 7 Rock? 8 A. No, not the same title. 9 Q. Different title? 10 A. Different roles. 11 Q. Okay. Who reports directly to you here in Little 12 Rock? 13 A. Teralyn Dickey. And she's the vice president of 14 project management. 15 Q. Okay. 16 A. There's a list. 17 Q. Okay. Go ahead. 18 A. Ron Bilello, and he is the vice president of IT, 19 information technology. Next would Scott Grable, he's the 20 vice president of premium and commissions. Richard Hicks, 21 and he is the vice president of organizational 22 development. And these are like their working titles, the 23 depositions that they're -- 24 Q. Okay. 25 A. And you have David Louks, he's the vice president of</p>	<p>Page 49</p> <p>1 A. That's correct. 2 Q. Are there any others who report directly to you? 3 A. No. 4 Q. Okay. The first question. Why are there so many 5 more here in Little Rock that report to you and only one 6 in Louisville? 7 A. It's a larger operation here. So each of the 8 departments -- Neva in Louisville has responsibility for 9 similar functions, it's just smaller grouped. So it 10 doesn't require that level of employee here. It's more 11 employees in each department. 12 Q. Okay. So Ms. Curtis in Louisville would supervise 13 these -- 14 A. Types of functions. 15 Q. -- types of functions, but she reports to you? 16 A. Correct. 17 Q. Okay. Did all of these employees here in Little Rock 18 that you've listed for me that report to you, are they all 19 employed by TransAmerica Life Insurance Company? 20 A. The ones in Little Rock, yes. 21 Q. So all of the employees that you've listed for us 22 that report directly to you here in Little Rock are 23 employees of TransAmerica Life Insurance Company? 24 A. Yes. 25 Q. And do they perform services across the same block of</p>

Page 50	Page 52
<p>1 business that you've listed for me earlier?</p> <p>2 A. Not all of them.</p> <p>3 Q. Some of them are specific to particular blocks of</p> <p>4 business?</p> <p>5 A. Some of them are only in Louisville. The Little Rock</p> <p>6 only has some of those companies, some of those statutory</p> <p>7 companies.</p> <p>8 Q. Okay. Maybe we better break down Louisville and</p> <p>9 Little Rock first, so I won't get them confused. What</p> <p>10 book of business is supervised in Louisville, what</p> <p>11 companies' business?</p> <p>12 A. If you can read back that list. Louisville is every</p> <p>13 one of the original list. Read them to me and I can</p> <p>14 double check them in my mind.</p> <p>15 Q. Let me do that. Does Louisville supervise the block</p> <p>16 of business -- handle the -- let me start over. Is the</p> <p>17 Live Investors' block of business handled in Louisville?</p> <p>18 A. Yes.</p> <p>19 Q. Is it also handled in Little Rock?</p> <p>20 A. Some policies, yes.</p> <p>21 Q. Particular policies?</p> <p>22 A. They're the same types of policies, some policies are</p> <p>23 in Louisville and some policies are here in Little Rock.</p> <p>24 Q. Is it broken apart geographically?</p> <p>25 A. No.</p>	<p>1 A. Yes.</p> <p>2 Q. Are the originating agents broken apart</p> <p>3 geographically?</p> <p>4 A. No.</p> <p>5 Q. How are they assigned to a particular office?</p> <p>6 MR. LEVENTHAL: Object to the form. You</p> <p>7 can answer.</p> <p>8 A. I'm not sure I know how they decided to separate the</p> <p>9 agents. That's just how it was -- I don't know if there's</p> <p>10 a particular way they did it.</p> <p>11 Q. Okay. Let's move on then to the TransAmerica Life</p> <p>12 Insurance Company block of business. Is that handled in</p> <p>13 both places as well, Louisville and Little Rock?</p> <p>14 A. Yes.</p> <p>15 Q. Okay. TransAmerica Occidental Insurance Company</p> <p>16 handled in both places?</p> <p>17 A. Yes.</p> <p>18 Q. Peoples Benefit Life Insurance Company handled --</p> <p>19 A. No. Only in Louisville.</p> <p>20 Q. Western Reserve Assurance Company of Ohio book of</p> <p>21 business?</p> <p>22 A. Only in Louisville.</p> <p>23 Q. TransAmerica Financial Life Insurance Company book of</p> <p>24 business?</p> <p>25 A. Both.</p>
Page 51	Page 53
<p>1 Q. Is it broken apart -- how is it broken part?</p> <p>2 A. It's broken apart by I think agents.</p> <p>3 Q. Okay. So originating agents send their business to</p> <p>4 either -- Live Investors business -- to either Louisville</p> <p>5 or Little Rock; is that right?</p> <p>6 A. Which Life Investors policies are we talking about?</p> <p>7 Q. That's part of the problem. I'm trying to figure all</p> <p>8 that out. In Louisville, what particular type of Life</p> <p>9 Investors policies are handled in Louisville?</p> <p>10 A. We have cancer. We have STD, to use your word. We</p> <p>11 have heart, intensive care, accident, and then there's</p> <p>12 probably some life policies on Life Investors there as</p> <p>13 well.</p> <p>14 Q. Okay.</p> <p>15 A. And some annuities.</p> <p>16 Q. So the Life Investors' block of business is also</p> <p>17 handled here in Little Rock to some extent?</p> <p>18 A. Yes.</p> <p>19 Q. Same policies that you just listed out for me?</p> <p>20 A. Yes, except for annuities.</p> <p>21 Q. Annuities are not handled here in Little Rock?</p> <p>22 A. Correct.</p> <p>23 Q. And the way that that book of business for Life</p> <p>24 Investors is broken apart, as to whether it goes to Little</p> <p>25 Rock or Louisville, that's based upon originating agent?</p>	<p>1 Q. And both being Louisville and Little Rock?</p> <p>2 A. Louisville and Little Rock.</p> <p>3 Q. Monumental Life Insurance Company book of business?</p> <p>4 A. Louisville and Little Rock.</p> <p>5 Q. USA Administrative Services, Inc. is not a statutory</p> <p>6 company that issues insurance policies, right?</p> <p>7 A. Correct.</p> <p>8 Q. But that's based here in Little Rock?</p> <p>9 A. No, it's in Louisville.</p> <p>10 Q. It is in Louisville?</p> <p>11 A. There's no employees of that.</p> <p>12 Q. Except --</p> <p>13 A. USA Administrative is just a d/b/a name.</p> <p>14 Q. Okay. But you are -- the services for that company</p> <p>15 are performed by employees of other companies?</p> <p>16 A. In Louisville.</p> <p>17 Q. Okay. Let me figure out the chain of command here.</p> <p>18 Who do you report to?</p> <p>19 A. Brenda Clancy.</p> <p>20 Q. And what is her title?</p> <p>21 A. Executive vice president of Life Investors.</p> <p>22 Q. Is she a Life Investors employee?</p> <p>23 A. I believe her payroll -- her paycheck is by Life</p> <p>24 Investors.</p> <p>25 Q. Okay. All the people here in Little Rock that you've</p>

Page 54	Page 56
<p>1 listed that report to you, they are all TransAmerica Life 2 Insurance Company employees? 3 A. Did you say Little Rock? 4 Q. Yes. 5 A. Yes. 6 Q. The blocks of business that are broken apart into 7 different offices, when you went through those lists of 8 various statutory companies, are their blocks broken apart 9 similarly by originating agent? 10 MR. LEVENTHAL: Objection to the form. 11 You can answer. 12 A. I'm not sure I understand the question. 13 Q. Sure. Let me put it a little bit differently then. 14 Like TransAmerica Life Insurance Company, is their 15 business, which is handled here in Little Rock and 16 Louisville, correct? 17 A. Yes. 18 Q. Is their business split up across different lines, do 19 they have life insurance and cancer policies and heart and 20 so forth? 21 MR. LEVENTHAL: Objection to the form. 22 You can answer. 23 A. Is this -- are you asking for Little Rock or 24 Louisville? 25 Q. That's what I'm trying to understand. I think I</p>	<p>1 office handles the claims and policies? 2 A. Not always. Just in certain -- in certain 3 situations. 4 Q. Okay. 5 A. You asked me about TransAmerica. 6 Q. Let me try to do it this way. TransAmerica Life 7 Insurance Company issues a cancer policy? 8 A. Yes. 9 Q. Does TransAmerica Occidental Insurance Company issue 10 a cancer policy? 11 A. No. 12 Q. Does Peoples Benefit Life Insurance Company issue a 13 cancer policy? 14 A. No, not that I'm aware of in Louisville. 15 Q. I better specify a time. I'm talking currently issue 16 cancer policies? 17 A. Again, my statement would be the same. Not that I'm 18 aware of in Louisville. There are other locations that 19 use that name, that statutory company. 20 Q. The other locations that use Peoples Benefit Life 21 Insurance Company? 22 A. That use all of those. 23 Q. Besides Louisville and Little Rock? 24 A. Yes, other divisions. 25 Q. Division, what division are you in?</p>
Page 55	Page 57
<p>1 understand that the Life Investors block of business is 2 broken apart based on originating agent, right? 3 A. Yes. 4 Q. As to which -- 5 A. There's other Life Investors policies that are in 6 Louisville as well, not just -- there's Life Investors 7 policies that were split by agent, and there's others that 8 just were in Louisville. 9 Q. Like the annuities? 10 A. Correct. 11 Q. Okay. So when we come to TransAmerica Life Insurance 12 Company policies -- 13 A. Uh-huh. 14 Q. -- those go to both Louisville and Little Rock? 15 A. Yes. 16 Q. And does TransAmerica Life Insurance Company issue a 17 cancer policy? 18 A. It does today, yes. 19 Q. And is that handled in Louisville or in Little Rock 20 or in both? 21 A. In both. 22 Q. Okay. 23 A. It's also broken by agent. 24 Q. That was my question. TransAmerica Life Insurance 25 Company business is broken apart by agent as to which</p>	<p>1 MR. LEVENTHAL: Object to the form of the 2 question. You can answer. 3 A. I work for TransAmerica Life Insurance Company. 4 Q. I've seen reference to like STD supplemental 5 insurance? 6 A. That's an old generic name they used to use. 7 Q. You said there's other divisions -- 8 A. Other locations. I'm sorry. I used the wrong word, 9 other locations. 10 Q. That's okay. Other locations that use these various 11 statutory entities that you've previously listed for me? 12 A. Yes. 13 Q. What other locations use these statutory entities? 14 MR. LEVENTHAL: Are we talking about 15 cancer policies? 16 MR. SINCLAIR: Yeah. 17 MR. LEVENTHAL: Just cancer policies. 18 A. I don't know. 19 Q. (BY MR. SINCLAIR) You don't know? 20 A. I don't know if they issue cancer policies. I don't 21 know what they issue. 22 Q. Let me -- I'm asking the question badly. Let me try 23 again. Life Investors statutory entities is used by the 24 office here in Little Rock and the office in Louisville, 25 correct?</p>

<p style="text-align: right;">Page 58</p> <p>1 A. Correct.</p> <p>2 Q. What other office uses Life Investors statutory</p> <p>3 entity?</p> <p>4 MR. LEVENTHAL: For what purpose?</p> <p>5 MR. SINCLAIR: I'm trying to narrow it</p> <p>6 down.</p> <p>7 MR. LEVENTHAL: Cancer policies or</p> <p>8 anything?</p> <p>9 MR. SINCLAIR: Just anything.</p> <p>10 Q. (BY MR. SINCLAIR) What other office?</p> <p>11 A. Cedar Rapids. There could be others. I don't know.</p> <p>12 Q. Let me try it this way. Is Brenda Clancy based here</p> <p>13 in Little Rock?</p> <p>14 A. No.</p> <p>15 Q. Where is she based?</p> <p>16 A. In Cedar Rapids.</p> <p>17 Q. And she's a Life Investors employee?</p> <p>18 A. Yes.</p> <p>19 Q. Who is her boss?</p> <p>20 A. Pat Baird.</p> <p>21 Q. Is it Mr. or Ms. Baird?</p> <p>22 A. Mr. Baird.</p> <p>23 Q. Where is Mr. Baird based?</p> <p>24 A. In Cedar Rapids.</p> <p>25 Q. Is he also a Life Investors employee?</p>	<p style="text-align: right;">Page 60</p> <p>1 MR. LEVENTHAL: Objection to the form.</p> <p>2 You can answer.</p> <p>3 Q. Is that right?</p> <p>4 A. I think he works in the Netherlands and in the U.S..</p> <p>5 Q. Where are his offices? You said he had multiple</p> <p>6 offices. I take it --</p> <p>7 A. He works in both places. I don't know. He's in both</p> <p>8 countries. I don't know where all of his offices are.</p> <p>9 Q. What is his title?</p> <p>10 A. I don't know his specific official title.</p> <p>11 Q. Okay. Let's back up to Mr. Baird then. Is he like</p> <p>12 president of Cedar Rapids or president of Life Investors,</p> <p>13 I should say?</p> <p>14 MR. LEVENTHAL: Objection to the form.</p> <p>15 You can answer if you know.</p> <p>16 A. I don't know his specific title.</p> <p>17 Q. Brenda Clancy is executive vice president of Life</p> <p>18 Investors though?</p> <p>19 A. Yes.</p> <p>20 Q. All right. Cedar Rapids is the office that you</p> <p>21 referred to that also uses the statutory entity Life</p> <p>22 Investors. Are there any other offices besides</p> <p>23 Louisville, Little Rock or Cedar Rapids that use that</p> <p>24 statutory Life Investors entity?</p> <p>25 A. I don't know for sure.</p>
<p style="text-align: right;">Page 59</p> <p>1 A. I don't know.</p> <p>2 Q. What is his title?</p> <p>3 A. I don't know his official title.</p> <p>4 Q. And who's his boss?</p> <p>5 A. I guess it would be Don Shepherd.</p> <p>6 Q. Don Shepherd is Mr. Baird's boss. Is Mr. Shepherd</p> <p>7 also based in Cedar Rapids?</p> <p>8 A. No.</p> <p>9 Q. Where is Mr. Shepherd based?</p> <p>10 A. I think he's -- I don't really know if he has a -- I</p> <p>11 don't know where he's 100 percent based. I don't know.</p> <p>12 Q. Well, what do you mean, you don't know where his</p> <p>13 office is?</p> <p>14 A. He has multiple offices. I don't know. I don't know</p> <p>15 where he's based.</p> <p>16 Q. I'm sorry. I see what you're saying. Where are his</p> <p>17 offices?</p> <p>18 A. In the Netherlands.</p> <p>19 Q. I'm sorry. Where?</p> <p>20 A. In the Netherlands.</p> <p>21 Q. Is Mr. Shepherd with Aegon, NV?</p> <p>22 A. Yes.</p> <p>23 Q. The Netherlands threw me for a second. So Mr. Baird</p> <p>24 is based in Cedar Rapids, and his boss is Don Shepherd,</p> <p>25 who is in the Netherlands?</p>	<p style="text-align: right;">Page 61</p> <p>1 Q. Okay. I'm sorry. Let's step back if we can to these</p> <p>2 people who report to you in Little Rock. The first that</p> <p>3 you listed was Teralyn. And she's the vice president of</p> <p>4 project management. What is that?</p> <p>5 A. She oversees projects, implementation of new</p> <p>6 products, new systems, new -- just any kind of project,</p> <p>7 large project that's going on with the company.</p> <p>8 Q. Are those projects assigned to her by you?</p> <p>9 A. Yes.</p> <p>10 Q. Okay. So you tell her what projects she needs to</p> <p>11 work on and that's --</p> <p>12 A. She has staff.</p> <p>13 Q. Okay. But you assign her what projects?</p> <p>14 A. Correct. I give her direction.</p> <p>15 Q. You're the boss?</p> <p>16 A. Yes.</p> <p>17 Q. If Teralyn Dickey is the vice president of project</p> <p>18 management, did she have any role in the cancer policies?</p> <p>19 Did you assign her projects in relation to cancer</p> <p>20 policies?</p> <p>21 MR. LEVENTHAL: Objection to the form.</p> <p>22 You can answer.</p> <p>23 A. She is responsible for developing and managing new</p> <p>24 product roll-outs. When we develop a new product one of</p> <p>25 her staff would be the project manager or oversee the</p>

Page 62

1 implementation of that new product.
 2 Q. Okay. I better step back. I just realized. We were
 3 talking previously about what entity currently issues
 4 cancer policies. Does Life Investors currently issue
 5 cancer policies?
 6 A. I can't speak for everywhere that it's used, but not
 7 in -- but not here today.
 8 Q. Not in Little Rock?
 9 A. No.
 10 Q. Does it issue cancer policies out of the Louisville
 11 office?
 12 A. No, not today.
 13 Q. You're not aware of any office that uses the Life
 14 Investors statutory entity to issue cancer policies?
 15 A. I don't know. I don't know if they do or not.
 16 Q. Okay. In the past the Life Investors entity has been
 17 used to issue cancer policies that you're aware of though?
 18 A. In Little Rock.
 19 Q. Okay. Well like, for example, Mr. Gooch's policy,
 20 was that issued through the Little Rock office?
 21 A. Yes, it was originally.
 22 Q. Okay. How about TransAmerica Life Insurance Company,
 23 is it currently issuing cancer policies?
 24 A. Yes.
 25 Q. Through the Little Rock office?

Page 63

1 A. Yes.
 2 Q. And through the Louisville office?
 3 A. Yes.
 4 Q. How about the TransAmerica Occidental Insurance
 5 Company, is it currently issuing or having policies issued
 6 through that entity?
 7 A. What kind of policies?
 8 Q. Cancer policies.
 9 A. Not cancer policies.
 10 Q. Okay.
 11 A. Through Little Rock or Louisville.
 12 Q. And are you aware of any other offices that are
 13 using --
 14 A. I wouldn't know.
 15 Q. Are you aware of any offices that are using the
 16 Peoples Benefit Life Insurance Company to currently issue
 17 cancer policies?
 18 A. Are you asking me about Little Rock and Louisville?
 19 Q. Yes.
 20 A. No, we're not under that statutory company.
 21 Q. Are you aware of any other locations that are using
 22 that statutory company?
 23 A. I don't know.
 24 Q. Okay. Well, has Peoples Benefit Life Insurance
 25 Company issued cancer policies in the past?

Page 64

1 A. I don't know.
 2 Q. How about TransAmerica Occidental Insurance Company,
 3 have they issued policies in the past for cancer?
 4 A. No, they haven't.
 5 Q. Okay. Western Reserve Assurance Company of Ohio, are
 6 you aware of any offices that are currently using that
 7 statutory entity to issue cancer policies?
 8 A. I'm not aware.
 9 Q. Are you aware of any offices which used that
 10 statutory entity to issue cancer policies in the past?
 11 A. I'm not aware.
 12 Q. Same question with regard to TransAmerica Financial
 13 Life Insurance Company?
 14 A. No, they're not.
 15 Q. And they have not in the past?
 16 A. No.
 17 Q. And how about Monumental Life Insurance Company, have
 18 they issued cancer policies in the past?
 19 A. In the past?
 20 Q. Yes.
 21 A. Yes.
 22 Q. Was that out of the Little Rock office here?
 23 A. No.
 24 Q. Kentucky?
 25 A. I don't know. That office was in Kentucky. And they

Page 65

1 had people in Kentucky before, but not in my Louisville
 2 office.
 3 Q. Are they currently issuing cancer policies that
 4 you're aware of?
 5 A. Yes.
 6 Q. Monumental is?
 7 A. Yes.
 8 Q. But they're not doing that through the offices that
 9 you supervise?
 10 A. That's correct.
 11 Q. Let me -- let me step back to Teralyn Dickey, if we
 12 can then. She's currently developing new products to roll
 13 out, is that what project you've assigned her?
 14 A. She has multiple. There's probably 10 or 15 projects
 15 that she's working on.
 16 Q. Is she currently working on any cancer product
 17 projects?
 18 A. Yes.
 19 Q. What projects is she working on with regard to cancer
 20 products?
 21 A. Development of a new cancer policy.
 22 Q. She is developing a new cancer policy?
 23 A. She is overseeing -- she has staff that are working
 24 on a project to develop a new cancer product.
 25 Q. And you assigned her to that role?

Page 62 - Page 65

Page 66

1 A. That's her role in the company. So yes, I would have
2 assigned it to her.
3 Q. You assigned her that project?
4 A. There are other people involved, but yes, she has
5 staff that was working on that project.
6 Q. Okay. I'm sorry. I may have misunderstood. Is
7 there anybody else that assigns Ms. Dickey projects?
8 A. No.
9 Q. So if she's working on developing a new cancer
10 product, that would be a project you assigned her?
11 A. The word developing is what I don't understand.
12 She's not developing. She is the project manager. They
13 oversee projects.
14 Q. I think I took product development, and I may have
15 made a mistake there. She's not developing a new cancer
16 policy, she is implementing a new product?
17 A. She is overseeing the implementation. Her staff is
18 overseeing the implementation of a new product as well as
19 other projects.
20 Q. What statutory entity is going to be issuing this new
21 cancer product?
22 A. TransAmerica Life Insurance Company.
23 Q. Okay. Are there any other entities, statutory
24 entities that are going to be issuing this new product,
25 new cancer product?

Page 67

1 A. I'm not sure I understand the question.
2 Q. Let me ask it a different way. Is that new cancer
3 product currently being sold?
4 A. No, not yet.
5 Q. It's in development?
6 A. Yes.
7 Q. It will be sold under the TransAmerica Life Insurance
8 Company statutory entity?
9 A. Yes.
10 Q. What other statutory entities will this new product
11 be sold under?
12 A. No other ones.
13 Q. Just TransAmerica?
14 A. Right.
15 Q. And currently there are no policies being issued
16 under TransAmerica related to this new cancer product?
17 Let me ask that again. This new cancer product has not
18 been sold anywhere, right?
19 A. We have not issued any yet.
20 Q. Okay. Let me ask you this. TransAmerica Life
21 Insurance Company has issued cancer products in the past?
22 A. Yes.
23 Q. Is TransAmerica Life Insurance Company currently
24 issuing cancer policies?
25 A. Yes.

Page 68

1 Q. But it's planning on rolling out a new one?
2 A. Yes.
3 Q. What changes are being made?
4 MR. LEVENTHAL: Hold on. We've been
5 going now for about two hours. So far we've covered
6 virtually nothing about Ms. Whitlock's letter, or about
7 the five subject matters that the court allowed this
8 deposition to cover.
9 Now you're starting to go into a new cancer policy
10 written by a company that's not even involved in the
11 lawsuit. I've been giving you a lot of leeway for
12 background information. But at some point we have to
13 start covering what the court designated the deposition to
14 cover.
15 Q. (BY MR. SINCLAIR) Maybe I can ask questions a
16 different way that will help you see why I think it's
17 related. You currently work for TransAmerica Life
18 Insurance Company, right?
19 A. Yes.
20 Q. You're their employee?
21 A. I work for other companies as well.
22 Q. But you're a TransAmerica Life Insurance Company
23 employee?
24 A. Yes.
25 Q. Okay. And you oversee the handling of cancer

Page 69

1 policies issued by Life Investors Insurance Company; is
2 that right?
3 A. Yes.
4 Q. Is the Life Investors Insurance Company cancer policy
5 currently being issued?
6 MR. LEVENTHAL: Objection to the form.
7 Go ahead and answer if you can.
8 A. It may be in one or two states.
9 Q. Okay.
10 MR. SINCLAIR: Maybe this would be a good
11 time to go ahead and mark this as Exhibit 2.
12 (Deposition Exhibit 2 was marked.)
13 Q. (BY MR. SINCLAIR) I'm going to ask you if you can
14 identify that for us, please?
15 A. Yes.
16 Q. What is that, which I've marked as Exhibit 2?
17 A. It's a copy of the policy that was mailed to Mr.
18 Gooch in 1997.
19 Q. Did you say it was mailed to Mr. Gooch?
20 A. Yes.
21 Q. Is Mr. Gooch's address on that front page there?
22 A. No, not on the front page.
23 Q. It's actually correspondence dated December 17, 1997;
24 is that right?
25 A. Yes, it says that.

Page 66 - Page 69

Page 70

1 Q. That is the cancer policy that was issued to Mr.
 2 Gooch. What series is that, do you have a series
 3 designation for that policy?
 4 A. I don't understand the question.
 5 MR. LEVENTHAL: Objection to the form.
 6 Q. Let me ask it in a little bit different way. Do you
 7 refer to that particular cancer policy as a particular
 8 series of policy?
 9 A. No, I don't refer to it that way.
 10 Q. Do you have designations or commonly used phrases for
 11 different versions of a policy?
 12 MR. LEVENTHAL: Objection to the form.
 13 Go ahead.
 14 A. No. We would always refer to it as a cancer policy.
 15 And then it would go back to whatever the original form
 16 was.
 17 Q. What form is that?
 18 A. It is LPC01TN.
 19 Q. Let me ask you, you just referred to a page of
 20 Exhibit 2. Show me that page that you're referring to, if
 21 you can?
 22 A. (Indicating).
 23 Q. I see. You're looking at the 5th page back of
 24 Exhibit 2; is that right?
 25 A. Yes.

Page 71

1 Q. And that's got the heading, Life Investors Insurance
 2 Company of America. Where are you finding that policy
 3 form number that you're using?
 4 A. In the bottom left-hand corner.
 5 Q. Okay. Tell me what does that stand for?
 6 A. That's the form number when it was filed with the
 7 State Department of Insurance.
 8 Q. What does LPC mean?
 9 A. It's just the codes that were used internally. It
 10 doesn't really mean anything. It's just a code.
 11 Q. I thought perhaps it might mean Life Investors
 12 product cancer. It doesn't have any specific -- it's not
 13 an acronym for anything?
 14 MR. LEVENTHAL: Objection to the form.
 15 Go ahead.
 16 A. It doesn't mean anything specific. I mean -- the L
 17 probably would have stood for Life Investors.
 18 Q. But you're not familiar with the rest of what that
 19 form designation means?
 20 A. I'm familiar with the process of filing products,
 21 because I oversee that and I review and approve. And we
 22 assign this information when we build it in our system, so
 23 we can track the policies, and attach to which policy form
 24 needs to print out.
 25 Q. So your system tracks which particular form has been

Page 72

1 assigned?
 2 A. Yes.
 3 Q. What state was this filed with?
 4 A. It was filed with almost all states.
 5 Q. Okay. This is not a specific policy with a
 6 particular state?
 7 A. This is a state variation.
 8 Q. What state --
 9 A. This is the Tennessee State variation.
 10 Q. Do the terms of the policy vary across different
 11 states?
 12 A. Yes, they definitely can and do.
 13 Q. With regard to this particular policy that was filed
 14 with the State of Tennessee?
 15 A. It is a state specific variation, so there are
 16 differences in this policy from other states.
 17 Q. What would be different?
 18 MR. LEVENTHAL: Objection to the form of
 19 the question. And also object to how this ties into what
 20 I raised earlier, which is Ms. Whitlock's letter, or any
 21 of the five subject matters that the court designated for
 22 deposition today.
 23 Q. Go ahead.
 24 A. If you'll repeat the question?
 25 Q. Sure. What would be different in this policy in

Page 73

1 Tennessee specifically?
 2 MR. LEVENTHAL: Objection to the form,
 3 compound, impossible to answer. If you can, go ahead.
 4 A. I'm prepared to testify about the form, because I
 5 have experience in the forms, but I don't know
 6 specifically on every state variation what the differences
 7 are.
 8 Q. Let me ask it this way then, if I can. With regard
 9 to this particular policy, Exhibit 2, Mr. Gooch's policy,
 10 at the top of that first page of Exhibit 2 it's got,
 11 Bankers United Life Insurance Company. Did you ever work
 12 for Bankers United Life Insurance Company?
 13 A. No.
 14 Q. It's got Life Investors Insurance Company of America.
 15 Did you ever work for Life Investors?
 16 A. No, I've never worked for Life Investors, from the
 17 standpoint of that was the legal entity that employed me.
 18 But I worked on their policies and managed their policies.
 19 Q. Have you ever worked for PFL Life Insurance Company?
 20 A. No.
 21 Q. Have you ever managed their book of business?
 22 A. Not when it was PFL.
 23 Q. Okay. What is it now?
 24 A. It merged into one of the companies. I believe it
 25 merged into Life Investors, but I'm not 100 percent sure.

Page 70 - Page 73

Page 74

1 Q. Now, this particular form, was this the same form
 2 that's being used by any -- or was this form used by any
 3 of the other entities that you've told me issued cancer
 4 policies?
 5 A. I don't understand the question.
 6 Q. Was this particular form that I've got as Exhibit 2,
 7 this form of policy, was this used by any other statutory
 8 entity?
 9 A. At anytime?
 10 Q. Yes.
 11 MR. LEVENTHAL: Objection to the form.
 12 You can answer if you know.
 13 A. I don't know for sure. I can't speak for years ago.
 14 Q. Okay. Let me back up. Let me go to Exhibit 2 then.
 15 It says down at the bottom on the first page, Supplemental
 16 Insurance Division. You said I think earlier that that's
 17 an old designation, that that's not a legal entity?
 18 A. No, never was.
 19 Q. What division -- what company is that a division of?
 20 A. It's just a generic internal name that was used to --
 21 they worked -- they used several insurance companies. So
 22 they just kind of had a -- it was more just a generic
 23 internal name to know where they were located.
 24 Q. So Supplemental Insurance Division was located in
 25 Little Rock?

Page 75

1 A. It was, yes.
 2 Q. Was it located somewhere else?
 3 A. I don't think so. I don't know.
 4 Q. Was it staffed by Life Investors employees, or was it
 5 staffed by PFL employees or --
 6 MR. LEVENTHAL: Objection to the form.
 7 You can answer.
 8 A. I don't -- I know it would have been one of the
 9 insurance companies, but I don't know which one
 10 specifically.
 11 Q. Let me back up and ask you. When you said that Ms.
 12 Dickey is developing a new product, is she using as a
 13 template this particular form, which I've identified as
 14 Exhibit 2?
 15 MR. LEVENTHAL: Objection to the form.
 16 A. She's not developing a new product.
 17 Q. I'm sorry. Ms. Dickey is overseeing implementation
 18 of a new cancer product, right?
 19 A. Yes.
 20 Q. Is that new cancer product based upon what I've
 21 marked as Exhibit 2?
 22 MR. LEVENTHAL: Same objection.
 23 A. It's a -- it's not. I wouldn't say it's specifically
 24 off of this, no. Probably not. I'm not sure I understand
 25 what you're asking me.

Page 76

1 Q. Okay. When you assign Ms. Dickey the project of
 2 overseeing implementation of a new cancer product, was it
 3 to replace what I've identified as Exhibit 2?
 4 A. No.
 5 Q. It was not intended to replace Exhibit 2?
 6 MR. LEVENTHAL: Objection to the form of
 7 the question. You can answer if you know.
 8 A. It wasn't specifically to replace Exhibit 2. We roll
 9 out new products. We're an Insurance Company and that's
 10 what we do.
 11 Q. When was the last time that you rolled out a new
 12 cancer product?
 13 A. I don't know the specific year.
 14 Q. Was the last time that you had a new cancer product
 15 this particular product which we've identified as Exhibit
 16 2?
 17 MR. LEVENTHAL: Objection to the form of
 18 the question. You can answer if you know the answer.
 19 A. I do not know for sure that this was the version
 20 right before that. I think there was probably something
 21 in between.
 22 Q. Do you know when that particular product was rolled
 23 out?
 24 A. No.
 25 Q. Is Ms. Dickey's project in any way connected to

Page 77

1 changing the definition of actual charges?
 2 MR. LEVENTHAL: Objection to the form of
 3 the question. You can answer if you know.
 4 A. We've never changed the definition of actual charges.
 5 Q. Okay. Let me rephrase the question. Is this new
 6 cancer product, which Ms. Dickey is overseeing
 7 implementation of, is this new cancer product drafted
 8 differently from the product which I've identified as
 9 Exhibit 2?
 10 MR. LEVENTHAL: Objection to the form of
 11 the question. Instruct the witness not to answer, because
 12 this is way outside what the judge allowed.
 13 Q. Do you understand you've been instructed not to
 14 respond?
 15 A. Yes, I understand.
 16 Q. Okay. We'll come back to that. Is there any other
 17 project that Ms. Dickey is currently overseeing with
 18 regard to any cancer policies?
 19 A. No.
 20 Q. Okay.
 21 A. Let me -- she's working on a lot of other projects
 22 and policies on the system, system conversions and things
 23 like that. They're going to -- all policies would be
 24 involved in that.
 25 Q. I'm sorry?

Page 78	Page 80
<p>1 A. Systems projects.</p> <p>2 Q. Systems projects, what do you mean by systems projects?</p> <p>3 projects?</p> <p>4 A. Like update of our system, update of our computer</p> <p>5 system. That would involve all products. It would</p> <p>6 involve everything because it's an updating of the system.</p> <p>7 Q. It would involve cancer products?</p> <p>8 A. It would involve every policy that's on the system,</p> <p>9 because it's updating the system.</p> <p>10 Q. And I'm not sure I understand what you mean by</p> <p>11 updating?</p> <p>12 A. We have a policy system that keeps records. And</p> <p>13 we're updating that system. So every policy on the system</p> <p>14 would be involved, because it involves all systems, all</p> <p>15 products.</p> <p>16 Q. Do you mean like the -- like the records related to</p> <p>17 Mr. Gooch's cancer policy are being transferred to a new</p> <p>18 computer or something?</p> <p>19 A. No, just updating them.</p> <p>20 Q. I'm not sure I understand what you mean by updating.</p> <p>21 Are you talking about software or something?</p> <p>22 A. Yes.</p> <p>23 Q. I'm sorry.</p> <p>24 A. We're talking about computer software.</p> <p>25 Q. Computer software. So Mr. Gooch's policy information</p>	<p>1 Q. You're just talking about changes in version of</p> <p>2 software?</p> <p>3 A. Yes.</p> <p>4 Q. So is there anything else that Ms. Dickey is involved</p> <p>5 in that would be connected to the cancer product?</p> <p>6 A. I don't think so.</p> <p>7 Q. Okay. Ron Bilello, vice president of IT, what is his</p> <p>8 job responsibility?</p> <p>9 A. He is the manager of all the IT, all the computer</p> <p>10 systems.</p> <p>11 Q. So would he be responsible for -- he's here in Little</p> <p>12 Rock?</p> <p>13 A. Uh-huh.</p> <p>14 Q. I think I see what you're getting at. He's not in</p> <p>15 charge of the information technology systems that store</p> <p>16 Mr. Gooch's policy information?</p> <p>17 A. Yes, he is.</p> <p>18 Q. Okay. I'm going to show you what's been produced to</p> <p>19 us, and I can only carry one copy, so perhaps we can share</p> <p>20 with your attorney here as well, of the documents that</p> <p>21 were produced to us on Wednesday, Bates number LIICA 1</p> <p>22 through LIICA 1033. These were provided as the initial</p> <p>23 disclosures of Life Investors on Wednesday. Have you seen</p> <p>24 these documents before?</p> <p>25 MR. LEVENTHAL: You can answer the</p>
Page 79	Page 81
<p>1 was stored on what computer software?</p> <p>2 A. It's in Louisville. His policy is in Louisville on a</p> <p>3 system called Cyberlife, or CK4 is what we use for the</p> <p>4 short name.</p> <p>5 Q. And this policy information for Mr. Gooch is</p> <p>6 currently being transferred to a new computer software?</p> <p>7 A. No.</p> <p>8 Q. It's not?</p> <p>9 A. No. You were asking me about Ms. Dickey. She's</p> <p>10 involved in other projects that involve all policies.</p> <p>11 Q. Okay. With regard to Mr. Gooch's policy information,</p> <p>12 is that going to be on a new system now?</p> <p>13 A. No.</p> <p>14 Q. It's not?</p> <p>15 A. That's in Louisville.</p> <p>16 Q. I see. Are they doing the same sort of update</p> <p>17 through Ms. Curtis in Louisville?</p> <p>18 A. No.</p> <p>19 Q. So in Louisville Mr. Gooch's information is going to</p> <p>20 be contained on the CK4 system?</p> <p>21 A. Yes.</p> <p>22 Q. And you have a different system here in Little Rock?</p> <p>23 A. Upgraded.</p> <p>24 Q. Upgraded.</p> <p>25 A. Same system, same system, just newer.</p>	<p>1 question yes or no.</p> <p>2 A. Yes.</p> <p>3 Q. Okay. Let me turn, if I can, to what's been Bates</p> <p>4 numbered LIICA, is that Life Investors Insurance Company</p> <p>5 of America, is that their acronym, LIICA?</p> <p>6 A. Yes.</p> <p>7 Q. LIICA 1032 to 1033. And ask you to take a look at</p> <p>8 that document, if you would, please.</p> <p>9 (A pause was taken.)</p> <p>10 Q. First off let me ask you, do you recall writing that</p> <p>11 correspondence?</p> <p>12 A. Yes.</p> <p>13 Q. Okay.</p> <p>14 MR. LEVENTHAL: Is this an exhibit?</p> <p>15 MR. SINCLAIR: I can attach it as an</p> <p>16 exhibit if you'd like?</p> <p>17 MR. LEVENTHAL: It's up to you.</p> <p>18 MR. SINCLAIR: I mean, it's -- for</p> <p>19 documents like this, I just prefer to attach by reference.</p> <p>20 But if you'd like me to mark it as an exhibit, we can do</p> <p>21 that.</p> <p>22 Let me go ahead and mark LIICA 1032 and 1033 as</p> <p>23 Exhibit 3. There you are.</p> <p>24 (Deposition Exhibit 3 was marked.)</p> <p>25 Q. (BY MR. SINCLAIR) Now, first off let me ask you, do</p>

Page 82

1 you recall authoring this inter-company correspondence?
 2 A. Yes.
 3 Q. Okay. And it says actually up at the top from Connie
 4 Whitlock. That's you?
 5 A. That's me.
 6 Q. Okay. To Deborah Alexander. Who is Deborah
 7 Alexander?
 8 A. She's my director of claims here in Little Rock.
 9 Q. Okay. And also to Mr. James Byrne. Did I pronounce
 10 that correctly?
 11 A. Yes.
 12 Q. Okay. Who is Mr. Byrne?
 13 A. He is the director of claims analysis in Louisville.
 14 Q. Okay. So you also cc.ed at the bottom of that second
 15 page Ms. Neva Curtis. Do you see that?
 16 A. Yes.
 17 Q. All right. So rather than interacting through Ms.
 18 Curtis, you went directly to Mr. Byrne with this memo?
 19 A. He reported to me at that time.
 20 Q. Oh, he did. Okay.
 21 At the time you authored this memo, what was your
 22 title?
 23 A. Either vice president or senior vice president.
 24 Q. Okay.
 25 A. I don't remember the specific time it changed.

Page 83

1 Q. Okay. Well, let me ask you, did you have -- this is
 2 where I was going with this. You have listed all of those
 3 people in Little Rock who currently report to you, and
 4 rather than going through every one of those like we've
 5 been doing with Ms. Dickey, were any of those people that
 6 you've listed for me currently reporting to you in Little
 7 Rock involved in authoring this memo, Exhibit 3?
 8 A. No.
 9 Q. Okay. This was done on your initiative?
 10 MR. LEVENTHAL: Objection to the form.
 11 You can answer.
 12 A. I authored that memo with the assistance of counsel.
 13 Q. Okay. Let me back up. Did Ms. Clancy tell you to
 14 write this memo?
 15 A. No.
 16 Q. Did someone tell you specifically to write this memo?
 17 A. No, I -- I -- no.
 18 Q. Whose idea was it to write this memo?
 19 A. Mine.
 20 Q. Okay. But you did so with the assistance of counsel?
 21 A. Yes.
 22 Q. Was that at your initiative?
 23 A. Yes.
 24 Q. Okay. The reason I'm asking is, I understand we're
 25 going to be talking about a change. Now, whether that's a

Page 84

1 change in benefits or a change in forms required to
 2 receive benefits is at dispute a bit. But let's refer to
 3 this as a memo regarding a change in the way that you are
 4 going to process claims. Fair enough? The question I'm
 5 going to pose to you is, whose idea was it that this
 6 change be implemented?
 7 MR. LEVENTHAL: I'm not sure if that's a
 8 question. Objection to the form. Is there a question?
 9 Q. (BY MR. SINCLAIR) Yes.
 10 A. What -- I'm sorry. What's the question?
 11 Q. Does this memo, dated July 22, 2005, identified as
 12 Exhibit 3.
 13 A. Uh-huh.
 14 Q. Does it reflect your idea or someone else's idea?
 15 A. My idea and -- my idea.
 16 Q. And --
 17 A. And others.
 18 Q. Who's the others?
 19 MR. LEVENTHAL: Objection to the form of
 20 the question. You can answer if you understand the
 21 question.
 22 A. I mean, you need to be more specific or -- I don't
 23 understand.
 24 Q. Sure. You said there were others. Your idea and
 25 others. Who are the others?

Page 85

1 A. Steve Gwin.
 2 Q. I'm sorry. Could you spell his last name?
 3 A. G-W-I-N.
 4 Q. Okay. Who else?
 5 A. Kelly Adams.
 6 Q. And who else?
 7 A. Counsel, Mark Edwards.
 8 Q. Okay. Is Steve Gwin an attorney?
 9 A. No.
 10 Q. What does Mr. Gwin do?
 11 A. He's an actuary responsible for rate increases.
 12 Q. Okay. Did he report directly to you?
 13 A. No.
 14 Q. Who did he report to?
 15 A. Kelly Adams.
 16 Q. And who does Mr. Gwin work for? Who's his employer?
 17 A. Today?
 18 Q. I'm sorry. As of July 22, 2005.
 19 A. Peoples Benefit.
 20 Q. I'm sorry. When I asked earlier that -- okay. All
 21 right.
 22 Kelly Adams. Who does Kelly Adams work for?
 23 A. He works for Monumental.
 24 Q. I'm sorry. That's a he?
 25 A. He.

<p style="text-align: right;">Page 86</p> <p>1 Q. Okay. And what does he do? What's his title?</p> <p>2 A. Director of financial reporting.</p> <p>3 Q. Okay. And Mark Edwards is counsel.</p> <p>4 So let's go back to my original question, which was,</p> <p>5 was this your idea? And you said it was said yours and</p> <p>6 others. Have you told me all the others whose idea this</p> <p>7 was?</p> <p>8 MR. LEVENTHAL: Objection to the form.</p> <p>9 I'm not sure what the idea is that we're talking about.</p> <p>10 Q. Do you know what idea we're talking about?</p> <p>11 A. No.</p> <p>12 Q. Okay. When you look at Exhibit 3.</p> <p>13 A. Uh-huh.</p> <p>14 Q. Are you proposing a change --</p> <p>15 A. No.</p> <p>16 Q. -- in Exhibit 3? You're not?</p> <p>17 A. No.</p> <p>18 Q. You're not proposing any sort of change in this</p> <p>19 memorandum?</p> <p>20 A. We're proposing -- we're proposing that we're</p> <p>21 correcting procedures and some of the forms and things</p> <p>22 that we use.</p> <p>23 Q. Okay. When you were proposing correcting the</p> <p>24 procedures in this July 22nd memorandum, was -- have you</p> <p>25 given me everyone else whose idea this was to make this</p>	<p style="text-align: right;">Page 88</p> <p>1 MR. SINCLAIR: And I think we're at a</p> <p>2 good stopping point before I start on the next line.</p> <p>3 Let's go ahead and take a break.</p> <p>4 (A recess was had.)</p> <p>5 Q. (BY MR. SINCLAIR) All right. Let's turn back, if we</p> <p>6 can, to Exhibit 3, which you have before you.</p> <p>7 Let me begin by asking you, did you actually type</p> <p>8 this memorandum up?</p> <p>9 A. Yes.</p> <p>10 Q. Okay. So you did this on your computer?</p> <p>11 A. Yes.</p> <p>12 Q. Okay. Did anyone else have a hand in drafting this</p> <p>13 document? In other words, did they make any revisions or</p> <p>14 corrections, anyone besides you?</p> <p>15 A. No.</p> <p>16 Q. Okay. Were there previous versions of Exhibit 3?</p> <p>17 A. No. I mean, I don't recall. I mean, no. No.</p> <p>18 Q. Let's start off if we can then by talking about the</p> <p>19 first sentence, which reads, quote, "As you know, we have</p> <p>20 been examining the issue of whether we are collecting the</p> <p>21 necessary information." Let's stop there half through</p> <p>22 that first sentence.</p> <p>23 I take it from the wording there that, did you</p> <p>24 actually speak to Ms. Alexander and Mr. Byrne about this</p> <p>25 topic before you authored this memo?</p>
<p style="text-align: right;">Page 87</p> <p>1 change?</p> <p>2 MR. LEVENTHAL: Same objection to the</p> <p>3 form of the question. You can answer.</p> <p>4 A. I'm not sure. I still don't know -- I mean, to write</p> <p>5 the memo was -- was -- was my idea.</p> <p>6 Q. Okay. But you had Steve Gwin and Kelly Adams. What</p> <p>7 did they do; did they provide you input?</p> <p>8 A. They were -- yeah, they provided me input.</p> <p>9 Q. Okay.</p> <p>10 A. Not in the -- not for the memo. But they provided me</p> <p>11 information about what the -- the error that we were</p> <p>12 making.</p> <p>13 Q. Okay. Anybody else provide you input with regard to</p> <p>14 what you call an error that you used in authorizing this</p> <p>15 July 22nd memorandum?</p> <p>16 A. I'm not sure directly. Not directly.</p> <p>17 Q. Anybody indirectly?</p> <p>18 A. Steve had talked to the claims department.</p> <p>19 Q. Okay. But when it came to people that you spoke</p> <p>20 with, it was Steve Gwin, Kelly Adams and Mark Edwards.</p> <p>21 Were there any others?</p> <p>22 A. I don't recall anyone else.</p> <p>23 Q. Okay. And that perhaps will save us from going</p> <p>24 through the list of all your direct reports in Little</p> <p>25 Rock.</p>	<p style="text-align: right;">Page 89</p> <p>1 A. I don't recall if I ever spoke to them directly about</p> <p>2 it.</p> <p>3 Q. Who did you mean by we?</p> <p>4 A. Steve and Kelly and Mark.</p> <p>5 Q. Okay. Any other persons besides Steve, Kelly and</p> <p>6 Mark?</p> <p>7 A. No.</p> <p>8 Q. Okay. What prompted you to begin that examination?</p> <p>9 A. Steve --</p> <p>10 MR. LEVENTHAL: Object to the form. You</p> <p>11 can answer.</p> <p>12 A. Steve Gwin was brought in as a new actuary to do the</p> <p>13 rate increases. And he was concerned about continuing to</p> <p>14 do -- continuing rate increases. And so he brought to the</p> <p>15 attention of his manager that, you know, we're going to</p> <p>16 have to do more rate increases, and we ought to</p> <p>17 understand, you know, if there's any reason why that that</p> <p>18 -- that we'd have -- you know, that would be causing that</p> <p>19 to be greater. So they asked some questions of claims</p> <p>20 just to understand the process.</p> <p>21 Q. Okay. So Steve Gwin was the actuary responsible for</p> <p>22 rate increases; is that right?</p> <p>23 A. Correct.</p> <p>24 Q. Okay. All right. And Steve Gwin was concerned about</p> <p>25 rate increases, and he communicated this concern to you?</p>

<p style="text-align: right;">Page 90</p> <p>1 A. To his boss.</p> <p>2 Q. To Kelly Adams?</p> <p>3 A. Yes.</p> <p>4 Q. Did she then communicate that to you?</p> <p>5 A. Yes. Yes.</p> <p>6 Q. I mean, did it come -- did that communication come</p> <p>7 from someone else?</p> <p>8 A. No, it came from -- I just -- it came from either</p> <p>9 Kelly and Steve together or just Kelly.</p> <p>10 Q. Then Mr. Gwin's concern about rate increases, we're</p> <p>11 talking about the cancer policies?</p> <p>12 A. Yes.</p> <p>13 Q. Okay. Mr. Gwin's concern about rate increases then</p> <p>14 led, you said, to a discussion with the claims department?</p> <p>15 A. Yes.</p> <p>16 Q. Okay. Was that discussion related solely to Life</p> <p>17 Investors' cancer policies?</p> <p>18 A. I don't know.</p> <p>19 Q. Okay. Because the reason I'm asking here is the</p> <p>20 subject line says, supplemental -- well, let me ask you.</p> <p>21 What does the term in that subject line, supplemental,</p> <p>22 what is it a supplement to?</p> <p>23 A. Supplemental means -- it means it supplements any</p> <p>24 other -- you know, it's a supplemental cancer policy.</p> <p>25 It's not major med.</p>	<p style="text-align: right;">Page 92</p> <p>1 Q. Right. And I saw that in the text of that first</p> <p>2 page. But in the subject line it didn't have Life</p> <p>3 Investors. And so I wanted to make sure we're talking</p> <p>4 about --</p> <p>5 A. It's an internal memo.</p> <p>6 Q. Okay. It's talking about Life Investors' cancer</p> <p>7 policies and TransAmerica's cancer policies?</p> <p>8 A. I'm sorry. I wasn't --</p> <p>9 Q. Were there any other entities' cancer policies that</p> <p>10 this memo was talking about?</p> <p>11 A. No, because that's all that we have on -- that's</p> <p>12 cancer.</p> <p>13 Q. I thought Monumental also had cancer policies?</p> <p>14 A. Not in Louisville.</p> <p>15 Q. Okay. So this was just directed to the Louisville</p> <p>16 operation?</p> <p>17 A. These are what I'm responsible for. I'm not</p> <p>18 responsible for the Monumental cancer policies.</p> <p>19 Q. Okay. That's right. I think that -- Monumental is</p> <p>20 not used in Louisville or in Little Rock, right? That</p> <p>21 statutory entity is not used in Louisville or Little Rock?</p> <p>22 A. It is used.</p> <p>23 Q. It is?</p> <p>24 A. Yes.</p> <p>25 Q. At which office?</p>
<p style="text-align: right;">Page 91</p> <p>1 Q. Okay. I mean, is it intended to supplement</p> <p>2 somebody's Blue Cross coverage?</p> <p>3 MR. LEVENTHAL: Objection to the form.</p> <p>4 You can answer.</p> <p>5 A. I don't -- I don't know if it's -- I mean, there's no</p> <p>6 specific thing it's to supplement. It's just to</p> <p>7 supplement. You know, it's to provide supplemental</p> <p>8 coverage.</p> <p>9 Q. All right. So it's just additional coverage?</p> <p>10 A. Additional coverage, yeah.</p> <p>11 Q. Okay.</p> <p>12 A. I mean, in some -- yeah.</p> <p>13 Q. All right. In the subject line, it doesn't say Life</p> <p>14 Investors cancer policies. Was this memo directed solely</p> <p>15 to the processing of claims for Life Investors Insurance's</p> <p>16 cancer policies?</p> <p>17 A. At that time that was the majority of the cancer</p> <p>18 policies. So I don't think that it was talking about Life</p> <p>19 Investors, but it would have been any other cancer</p> <p>20 policies. If they were -- if it was on TransAmerica, it</p> <p>21 would have been -- it would have been any of those.</p> <p>22 Q. Okay. So it would have been --</p> <p>23 A. It says in the text of the letter Life Investors and</p> <p>24 TransAmerica. So -- I mean, my memo is talking about</p> <p>25 both.</p>	<p style="text-align: right;">Page 93</p> <p>1 A. In Louisville and Little Rock.</p> <p>2 Q. But their cancer policies aren't issued from</p> <p>3 Louisville or Little Rock?</p> <p>4 A. No.</p> <p>5 Q. Okay. Now, was Mr. Gwin an actuary responsible for</p> <p>6 rate increases over Life Investors and TransAmerica</p> <p>7 policies?</p> <p>8 A. Yes.</p> <p>9 Q. You know what, I wasn't specific enough. Life</p> <p>10 Investors and TransAmerica cancer policies, he's the rate</p> <p>11 increase actuary for those two policies, right?</p> <p>12 A. Yes.</p> <p>13 Q. Did he have any other policies that he was the</p> <p>14 actuary responsible for rate increases on?</p> <p>15 A. Not that I'm aware of.</p> <p>16 Q. Okay. All right. Now, let's go on through the first</p> <p>17 sentence then, if we can.</p> <p>18 You reference collecting the necessary information to</p> <p>19 pay claims accurately.</p> <p>20 Let me ask you, in there what information are you</p> <p>21 referring to when it comes to paying claims accurately?</p> <p>22 A. I'm sorry. Where are you?</p> <p>23 Q. You say -- I'm sorry.</p> <p>24 A. Where are you in the memo?</p> <p>25 Q. Let me go to the first line there.</p>